THE NATIONAL ARCHIVES LITTERA SCRIPTA MANET 1934 OF THE UNITED STATES

FEDERAL REGISTER

VOLUME 18 NUMBER 36

Washington, Saturday, February 21, 1953

TITLE 7—AGRICULTURE

Chapter IX—Production and Marketing Administration (Marketing Agreements and Orders), Department of Agriculture

[Lemon Reg. 473]

PART 953—LEMONS GROWN IN CALIFORNIA AND ARIZONA

LIMITATION OF SHIPMENTS

§ 953.580 *Lemon Regulation 473*—(a) *Findings.* (1) Pursuant to the marketing agreement, as amended, and Order No. 53, as amended (7 CFR Part 953; 14 F. R. 3612), regulating the handling of lemons grown in the State of California or in the State of Arizona, effective under the applicable provisions of the Agricultural Marketing Agreement Act of 1937, as amended (7 U. S. C. 601 et seq.), and upon the basis of the recommendation and information submitted by the Lemon Administrative Committee, established under the said amended marketing agreement and order, and upon other available information, it is hereby found that the limitation of the quantity of such lemons which may be handled, as hereinafter provided, will tend to effectuate the declared policy of the act.

(2) It is hereby further found that it is impracticable and contrary to the public interest to give preliminary notice, engage in public rule-making procedure, and postpone the effective date of this section until 30 days after publication thereof in the FEDERAL REGISTER (60 Stat. 237; 5 U. S. C. 1001 et seq.) because the time intervening between the date when information upon which this section is based became available and the time when this section must become effective in order to effectuate the declared policy of the act is insufficient, and a reasonable time is permitted, under the circumstances, for preparation for such effective time; and good cause exists for making the provisions of this section effective as hereinafter set forth. Shipments of lemons, grown in the State of California or in the State of Arizona, are currently subject to regulation pursuant to said amended marketing agreement and order; the recommendation and supporting information for regulation during the period specified herein was promptly submitted to the Department after an open meeting of the Lemon Administrative Committee on February 18, 1953; such meeting was held, after giving due notice thereof to consider recommendations for regulation, and interested persons were afforded an opportunity to submit their views at this meeting; the provisions of this section, including its effective time, are identical with the aforesaid recommendation of the committee, and information concerning such provisions and effective time has been disseminated among handlers of such lemons; it is necessary, in order to effectuate the declared policy of the act, to make this section effective during the period hereinafter specified; and compliance with this section will not require any special preparation on the part of persons subject thereto which cannot be completed by the effective time of this section.

(b) *Order.* (1) The quantity of lemons grown in the State of California or in the State of Arizona which may be handled during the period beginning at 12:01 a. m., P. s. t., February 22, 1953, and ending at 12:01 a. m., P. s. t., March 1, 1953, is hereby fixed as follows:

(i) District 1: 15 carloads;

(ii) District 2: 310 carloads;

(iii) District 3: Unlimited movement.

(2) The prorate base of each handler who has made application therefor, as provided in the said amended marketing agreement and order, is hereby fixed in accordance with the prorate base schedule which is attached hereto and made a part hereof by this reference.

(3) As used in this section, "handled," "handler," "carloads," "prorate base," "District 1," "District 2" and "District 3," shall have the same meaning as when used in the said amended marketing agreement and order.

(Sec. 5, 49 Stat. 753, as amended; 7 U. S. C. and Sup. 608c)

Done at Washington, D. C., this 19th day of February 1953.

[SEAL] S. R. SMITH,
Director, Fruit and Vegetable Branch, Production and Marketing Administration.

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FEDERAL REGISTER

Published daily, except Sundays, Mondays, and days following official Federal holidays, by the Federal Register Division, National Archives and Records Service, General Services Administration, pursuant to the authority contained in the Federal Register Act, approved July 26, 1935 (49 Stat. 500, as amended; 44 U. S. C., ch. 8B), under regulations prescribed by the Administrative Committee of the Federal Register, approved by the President. Distribution is made only by the Superintendent of Documents, Government Printing Office, Washington 25, D. C.

The regulatory material appearing herein is keyed to the Code of Federal Regulations, which is published, under 50 titles, pursuant to section 11 of the Federal Register Act, as amended June 19, 1937.

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CODIFICATION GUIDE

A numerical list of the parts of the Code of Federal Regulations affected by documents published in this issue. Proposed rules, as opposed to final actions, are identified as such.

CODIFICATION GUIDE—Con.

PRORATE BASE SCHEDULE

[Storage date: Feb. 15, 1953]

DISTRICT NO. 1

[12:01 a. m. Feb. 22, 1953, to 12:01 a. m. Mar. 8, 1953]

Handler	*Prorate base (percent)*
Total	100.000
Klink Citrus Association	36.066
Lemon Cove Association	23.949
Tulare County Lemon & Grapefruit Association	39.173
California Citrus Groves, Inc., Ltd	.000
Harding & Leggett	.812
Zaninovich Bros., Inc	.000

DISTRICT NO. 2

Total	100.000
American Fruit Growers, Inc., Corona	.637
American Fruit Growers, Inc., Fullerton	.848
American Fruit Growers, Inc., Upland	.509
Consolidated Lemon Co	1.414
Hazeltine Packing Co	.914
Ventura Coastal Lemon Co	2.901
Ventura Pacific Co	2.780
Glendora Lemon Growers Association	2.403
La Verne Lemon Association	.715
La Habra Citrus Association	.693
Yorba Linda Citrus Association, The	.265
Escondido Lemon Association	4.532
Cucamonga Mesa Growers	2.779
Etiwanda Citrus Fruit Association	.477
San Dimas Lemon Association	1.384
Upland Lemon Growers Association	6.792
Central Lemon Association	.462
Irvine Citrus Association	.429
Placentia Mutual Orange Association	.984
Corona Citrus Association	.678
Corona Foothill Lemon Co	2.237
Jameson Co	1.345

PRORATE BASE SCHEDULE—Continued

DISTRICT NO. 2—continued

Handler	Prorate base (percent)
Arlington Heights Citrus Co.	1.239
College Heights Orange & Lemon Association	3.613
Chula Vista Citrus Association, The	.584
Escondido Cooperative Citrus Association	.341
Fallbrook Citrus Association	2.258
Lemon Grove Citrus Association	.577
Carpinteria Lemon Association	1.975
Carpinteria Mutual Citrus Association	2.102
Goleta Lemon Association	4.338
Johnston Fruit Co	5.420
North Whittier Heights Citrus Association	.792
San Fernando Heights Lemon Association	5.523
Sierra Madre-Lamanda Citrus Association	1.221
Briggs Lemon Association	1.271
Culbertson Lemon Association	.791
Fillmore Lemon Association	.963
Oxnard Citrus Association	4.332
Rancho Sespe	.566
Santa Clara Lemon Association	3.521
Santa Paula Citrus Fruit Association	1.771
Saticoy Lemon Association	2.559
Seaboard Lemon Association	3.944
Somis Lemon Association	2.938
Ventura Citrus Association	.782
Ventura County Citrus Association	.662
Limoneira Co	1.238
Teague-McKevett Association	.384
East Whittier Citrus Association	.575
Murphy Ranch Co	.777
Chula Vista Mutual Lemon Association	.689
Index Mutual Association	.386
La Verne Cooperative Citrus Association	2.732
Ventura County Orange & Lemon Association	2.195
Dunning Ranch	.000
Far West Produce Distributors	.016
Huarte, Joseph, D	.012
Latimer, Harold	.040
Paramount Citrus Association, Inc.	.652
Santa Rosa Lemon Co	.037
Torn Ranch	.006

[F. R. Doc. 53-1789; Filed, Feb. 20, 1953; 8:45 a. m.]

[Grapefruit Reg. 89]

PART 955—GRAPEFRUIT GROWN IN ARIZONA; IN IMPERIAL COUNTY, CALIFORNIA, AND IN THAT PART OF RIVERSIDE COUNTY, CALIFORNIA, SITUATED SOUTH AND EAST OF THE SAN GORGONIO PASS

LIMITATION OF SHIPMENTS

§ 955.350 *Grapefruit Regulation 89*—(a) *Findings.* (1) Pursuant to the marketing agreement, as amended, and Order No. 55, as amended (7 CFR Part 955), regulating the handling of grapefruit grown in the State of Arizona; in Imperial County, California, and in that part of Riverside County, California, situated south and east of the San Gorgonio Pass, effective under the applicable provisions of the Agricultural Marketing Agreement Act of 1937, as amended, and upon the basis of the recommendations of the Administrative Committee (established under the aforesaid amended marketing agreement and order), and upon other available information, it is hereby found that the limitation of shipments of grapefruit, as provided in this section, will tend to effectuate the declared policy of the act.

(2) It is hereby further found that it is impracticable and contrary to the public interest to give preliminary notice, engage in public rule making procedure, and postpone the effective date of this section until 30 days after publication thereof in the FEDERAL REGISTER (60 Stat. 237; 5 U. S. C. 1001 et seq.) because the time intervening between the date when information upon which this section is based became available and the time when this section must become effective in order to effectuate the declared policy of the act is insufficient; a reasonable time is permitted, under the circumstances, for preparation for such effective time; and good cause exists for making the provisions of this section effective not later than February 22, 1953. Shipments of grapefruit, grown as aforesaid, have been subject to regulation by grades and sizes, pursuant to the amended marketing agreement and order, since October 19, 1952, and will so continue until February 22, 1953; the recommendation and supporting information for continued regulation subsequent to February 21, 1953, was promptly submitted to the Department after an open meeting of the Administrative Committee on February 12; such meeting was held to consider recommendations for regulation, after giving due notice of such meeting, and interested persons were afforded an opportunity to submit their views at this meeting; the provisions of this section, including the effective time thereof, are identical with the aforesaid recommendation of the committee, and information concerning such provisions and effective time has been disseminated among handlers of such grapefruit; it is necessary, in order to effectuate the declared policy of the act, to make this section effective during the period set forth in paragraph (b) so as to provide for the continued regulation of the handling of grapefruit; and compliance with this section will not require any special preparation on the part of persons subject thereto which cannot be completed by the effective time of this section.

(b) *Order.* (1) During the period beginning at 12:01 a. m., P. s. t., February 22, 1953, and ending at 12:01 a. m., P. s. t., March 29, 1953, no handler shall ship:

(i) Any grapefruit of any variety grown in the State of Arizona; in Imperial County, California; or in that part of Riverside County, California, situated south and east of the San Gorgonio Pass unless such grapefruit grade at least U. S. No. 2; or

(ii) From the State of California or the State of Arizona (*a*) to any point outside thereof in the United States, any grapefruit, grown as aforesaid, which are of a size smaller than 3$\frac{5}{16}$ inches in diameter, or (*b*) to any point in Canada, any grapefruit, grown as aforesaid, which are of a size smaller than 3$\frac{5}{16}$ inches in diameter ("diameter" in each case to be measured midway at a right angle to a straight line running from the stem to the blossom end of the fruit), except that a tolerance of 5 percent, by count, of grapefruit smaller than the foregoing minimum sizes shall be permitted, which tolerance shall be applied in accordance with the provisions for the application of tolerance, specified in the revised United States Standards for Grapefruit (California and Arizona), 7 CFR 51.241: *Provided,* That, in determining the percentage of grapefruit in any lot which are smaller than 3$\frac{5}{16}$ inches in diameter, such percentage shall be based only on the grapefruit in such lot which are of a size 3$\frac{13}{16}$ inches in diameter and smaller; and in determining the percentage of grapefruit in any lot which are smaller than 3$\frac{5}{16}$ inches in diameter, such percentage shall be based only on the grapefruit in such lot which are of a size 3$\frac{10}{16}$ inches in diameter and smaller.

(2) As used in this section, "handler," "variety," "grapefruit," and "ship" shall have the same meaning as when used in said amended marketing agreement and order; and the term "U. S. No. 2" shall have the same meaning as when used in the revised United States Standards for Grapefruit (California and Arizona), 7 CFR 51.241.

(Sec. 5, 49 Stat. 753, as amended; 7 U. S. C. and Sup. 608c)

Done at Washington, D. C., this 18th day of February 1953.

[SEAL] S. R. SMITH,
Director, Fruit and Vegetable Branch, Production and Marketing Administration.

[F. R. Doc. 53-1754; Filed, Feb. 20, 1953; 8:51 a. m.]

TITLE 26—INTERNAL REVENUE

Chapter I—Bureau of Internal Revenue, Department of the Treasury

Subchapter A—Income and Excess Profits Taxes

[T. D. 5991, Regs. 111]

PART 29—INCOME TAX; TAXABLE YEARS BEGINNING AFTER DECEMBER 31, 1941

MISCELLANEOUS AMENDMENTS

On December 20, 1952, notice of proposed rule making, regarding amendments to the income tax regulations made necessary by section 318 of the Revenue Act of 1951, approved October 20, 1951, by Public Law 251 (82d Congress), approved October 31, 1951, and by Public Law 567 (82d Congress), approved July 16, 1952, was published in the FEDERAL REGISTER (17 F. R. 11657). After consideration of all such relevant matter as was presented by interested persons regarding the rules proposed the amendments set forth below are hereby adopted. Such amendments are necessary in order to conform Regulations 111 (26 CFR Part 29) to section 318 of the Revenue Act of 1951, to Public Law 251 (82d Congress), and to Public Law 567 (82d Congress).

PARAGRAPH 1. There is inserted immediately preceding § 29.112 (f)-1 the following:

SEC. 318. GAIN FROM SALE OR EXCHANGE OF TAXPAYER'S RESIDENCE (REVENUE ACT OF 1951, APPROVED OCTOBER 20, 1951).

* * * * * *

(b) *Technical amendments.* (1) Section 112 (f) (relating to involuntary conversions) is hereby amended by adding at the end

thereof the following: "This subsection shall not apply, in the case of property used by the taxpayer as his principal residence, if the destruction, theft, seizure, requisition, or condemnation of the residence, or the sale or exchange of such residence under threat or imminence thereof, occurred after December 31, 1950."

* * * * *

PUBLIC LAW 251, 82D CONGRESS, APPROVED OCTOBER 31, 1951

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) section 112 (f) of the Internal Revenue Code (relating to involuntary conversions) is hereby amended to read as follows:

(f) *Involuntary conversion.* If property (as a result of its destruction in whole or in part, theft, seizure, or requisition or condemnation or threat or imminence thereof) is compulsorily or involuntarily converted—

(1) *Conversion into similar property.* Into property similar or related in service or use to the property so converted, no gain shall be recognized.

(2) *Conversion into money where disposition occurred prior to 1951.* Into money, and the disposition of the converted property occurred before January 1, 1951, no gain shall be recognized if such money is forthwith in good faith, under regulations prescribed by the Secretary, expended in the acquisition of other property similar or related in service or use to the property so converted, or in the acquisition of control of a corporation owning such other property, or in the establishment of a replacement fund. If any part of the money is not so expended, the gain shall be recognized to the extent of the money which is not so expended (regardless of whether such money is received in one or more taxable years and regardless of whether or not the money which is not so expended constitutes gain). For the purposes of this paragraph and paragraph (3), the term "disposition of the converted property" means the destruction, theft, seizure, requisition, or condemnation of the converted property, or the sale or exchange of such property under threat or imminence of requisition or condemnation.

(3) *Conversion into money where disposition occurred after 1950.* Into money or into property not similar or related in service or use to the converted property, and the disposition of the converted property (as defined in paragraph (2)) occurred after December 31, 1950, the gain (if any) shall be recognized except to the extent hereinafter provided in this paragraph:

(A) *Nonrecognition of gain.* If the taxpayer during the period specified in subparagraph (B), for the purpose of replacing the property so converted, purchases other property similar or related in service or use to the property so converted, or purchases stock in the acquisition of control of a corporation owning such other property, at the election of the taxpayer the gain shall be recognized only to the extent that the amount realized upon such conversion (regardless of whether such amount is received in one or more taxable years) exceeds the cost of such other property or such stock. Such election shall be made at such time and in such manner as the Secretary may by regulations prescribe. For the purposes of this paragraph—

(i) No property or stock acquired before the disposition of the converted property shall be considered to have been acquired for the purpose of replacing such converted property unless held by the taxpayer on the date of such disposition; and

(ii) The taxpayer shall be considered to have purchased property or stock only if, but for the provisions of section 113 (a) (9), the unadjusted basis of such property or stock would be its cost within the meaning of section 113 (a).

(B) *Period within which property must be replaced.* The period referred to in subparagraph (A) shall be the period beginning with the date of the disposition of the converted property, or the earliest date of the threat or imminence of requisition or condemnation of the converted property, whichever is the earlier, and ending—

(i) One year after the close of the first taxable year in which any part of the gain upon the conversion is realized, or

(ii) Subject to such terms and conditions as may be specified by the Secretary, at the close of such later date as the Secretary may designate upon application by the taxpayer. Such application shall be made at such time and in such manner as the Secretary may by regulations prescribe.

(C) *Time for assessment of deficiency attributable to gain upon conversion.* If a taxpayer has made the election provided in subparagraph (A), then (i) the statutory period for the assessment of any deficiency, for any taxable year in which any part of the gain upon such conversion is realized, attributable to such gain shall not expire prior to the expiration of three years from the date the Secretary is notified by the taxpayer (in such manner as the Secretary may by regulations prescribe) of the replacement of the converted property or of an intention not to replace, and (ii) such deficiency may be assessed prior to the expiration of such three-year period notwithstanding the provisions of section 272 (f) or the provisions of any other law or rule of law which would otherwise prevent such assessment.

(D) *Time for assessment of other deficiencies attributable to election.* If the election provided in subparagraph (A) is made by the taxpayer and such other property or such stock was purchased prior to the beginning of the last taxable year in which any part of the gain upon such conversion is realized, any deficiency, to the extent resulting from such election, for any taxable year ending before such last taxable year may be assessed (notwithstanding the provisions of section 272 (f) or 275 or the provisions of any other law or rule of law which would otherwise prevent such assessment) at any time before the expiration of the period within which a deficiency for such last taxable year may be assessed.

This subsection shall not apply, in the case of property used by the taxpayer as his principal residence, if the destruction, theft, seizure, requisition, or condemnation of residence, or the sale or exchange of such residence under threat or imminence thereof, occurred after December 31, 1950.

* * * * *

SEC. 3. The amendments made by the first two sections of this Act shall be applicable only with respect to taxable years ending after December 31, 1950, except that the provisions of section 112 (f) (3), and the provisions of section 113 (a) (9), of the Internal Revenue Code as amended by this Act shall also be applicable to any taxable year ending prior to January 1, 1951, in which (a) any gain was realized upon the conversion of property and the disposition of such converted property occurred (within the meaning of such section 112 (f) (3)) after December 31, 1950, or (b) the basis of property is affected by an election made under the provisions of section 112 (f) (3) of such code.

* * * * *

PAR. 2. Section 29.112 (f)–1 is hereby amended as follows:

(A) By changing the headnote thereof to read as follows: *Involuntary conversion where disposition of the converted property occurred prior to January 1, 1951.*

(B) By inserting immediately preceding paragraph (a) thereof the following: "This section applies only with respect to involuntary conversions where the disposition of the converted property occurred prior to January 1, 1951. The term 'disposition of the converted property' means the destruction, theft, seizure, requisition, or condemnation of the converted property, or the sale or exchange of such property under threat or imminence of requisition or condemnation. See § 29.112 (f)–3 if the disposition of the converted property occurred after December 31, 1950."

PAR. 3. Section 29.112 (f)–2 is hereby amended as follows:

(A) By changing the headnote thereof to read as follows: *Replacement funds where disposition of the converted property occurred prior to January 1, 1951.*

(B) By inserting immediately preceding the first paragraph thereof the following: "This section applies only with respect to involuntary conversions where the disposition of the converted property (as defined in § 29.112 (f)–1) occurred prior to January 1, 1951. See § 29.112 (f)–3 if the disposition of the converted property occurred after December 31, 1950."

PAR. 4. There is inserted immediately after § 29.112 (f)–2 the following new section:

§ 29.112 (f)–3 *Involuntary conversion where disposition of the converted property occurred after December 31, 1950*—(a) *In general.* This section applies only with respect to involuntary conversions where the disposition of the converted property (as defined in § 29.112 (f)–1) occurred after December 31, 1950. See § 29.112 (f)–1 and § 29.112 (f)–2 if the disposition of the converted property occurred prior to January 1, 1951. This section also applies only with respect to gains; losses from involuntary conversions are recognized or not recognized without regard to this section. This section shall not apply in the case of an involuntary conversion of property used by the taxpayer as his principal residence; see § 29.112 (n)–1. In the case of property used by the taxpayer partially as a principal residence and partially for other purposes, proper allocation shall be made and this section shall apply only with respect to the involuntary conversion of the portion used for other purposes.

(b) *Conversion into similar property.* If property (as a result of its destruction in whole or in part, theft, seizure, or requisition or condemnation or threat or imminence thereof) is compulsorily or involuntarily converted only into property similar or related in service or use to the property so converted, no gain shall be recognized. Such nonrecognition of gain is mandatory. If the conversion is, in whole or in part, into money or property not similar or related in service or use to the property so converted, see paragraph (c) of this section.

(c) *Conversion into money or into dissimilar property.* (1) If property (as a result of its destruction in whole or in part, theft, seizure, or requisition or condemnation or threat or imminence

thereof) is compulsorily or involuntarily converted into money or into property not similar or related in service or use to the converted property, the gain, if any, shall be recognized, at the election of the taxpayer, only to the extent that the amount realized upon such conversion exceeds the cost of other property purchased by the taxpayer which is similar or related in service or use to the property so converted, or the cost of stock of a corporation owning such other property which is purchased by the taxpayer in the acquisition of control of such corporation, if the taxpayer purchased such other property, or such stock, for the purpose of replacing the property so converted and during the period specified in subparagraph (2) of this paragraph.

(2) All of the details in connection with an involuntary conversion of property at a gain (including those relating to the replacement of the converted property, or a decision not to replace, or the expiration of the period for replacement) shall be reported in the return for the taxable year or years in which any of such gain is realized. An election to have such gain recognized only to the extent provided in subparagraph (1) of this paragraph shall be made by including such gain in gross income for such year or years only to such extent. If, at the time of filing such a return, the period within which the converted property must be replaced has expired, or if such an election is not desired, the gain should be included in gross income for such year or years in the regular manner. A failure to so include such gain in gross income in the regular manner shall be deemed to be an election by the taxpayer to have such gain recognized only to the extent provided in subparagraph (1) of this paragraph even though the details in connection with the conversion are not reported in such return. If, after having made an election under section 112 (f) (3), the converted property is not replaced within the required period of time, or replacement is made at a cost lower than was anticipated at the time of the election, or a decision is made not to replace, the tax liability for the year or years for which the election was made shall be recomputed. Such recomputation should be in the form of an "amended return". If a decision is made to make an election under section 112 (f) (3) after the filing of the return and the payment of the tax for the year or years in which any of the gain on an involuntary conversion is realized and before the expiration of the period within which the converted property must be replaced, a claim for credit or refund for such year or years should be filed. If the replacement of the converted property occurs in a year or years in which none of the gain on the conversion is realized, all of the details in connection with such replacement shall be reported in the return for such year or years.

(3) The period referred to in subparagraph (2) of this paragraph is the period of time commencing with the date of the disposition of the converted property, or the date of the beginning of the threat or imminence of requisition or condemnation of the converted property, whichever is earlier, and ending one year after the close of the first taxable year in which any part of the gain upon the conversion is realized, or at the close of such later date as may be designated pursuant to an application of the taxpayer. Such application shall be made prior to the expiration of the one year after the close of the first taxable year in which any part of the gain upon the conversion is realized. Such application shall be made to the Commissioner, or to such person as he may designate, and shall contain all of the details in connection with the involuntary conversion. No extension of time shall be granted pursuant to such an application unless the taxpayer executes a bond, with such surety as the Commissioner may require, in an amount not in excess of twice the estimated additional income taxes (including interest, penalties, and additions to the tax) which would be payable if an election were not made under this section, and conditioned upon the replacement of the converted property within the extended period of time (including any subsequent extensions granted by the Commissioner or such person as he may designate), or the payment of the additional tax attributable to the gain on the conversion (including interest, penalties, and additions to the tax). Only surety companies holding certificates of authority from the Secretary of the Treasury as acceptable sureties on Federal bonds will be approved as sureties. See § 29.112 (f)–2 with respect to the depositing of bonds or notes of the United States in lieu of sureties.

(4) Property or stock purchased before the disposition of the converted property shall be considered to have been purchased for the purpose of replacing the converted property only if such property or stock is held by the taxpayer on the date of the disposition of the converted property. Property or stock shall be considered to have been purchased only if, but for the provisions of section 113 (a) (9), the unadjusted basis of such property or stock would be its cost to the taxpayer within the meaning of section 113 (a). If the taxpayer's unadjusted basis of the replacement property would be determined, in the absence of section 113 (a) (9), under any of the other numbered paragraphs of section 113 (a), the unadjusted basis of the property would not be its cost within the meaning of section 113 (a). For example, if property similar or related in service or use to the converted property is acquired by gift and its basis is determined under section 113 (a) (2), such property will not qualify as a replacement for the converted property.

(5) If a taxpayer makes an election under section 112 (f) (3), any deficiency, for any taxable year in which any part of the gain upon the conversion is realized, which is attributable to such gain may be assessed at any time prior to the expiration of three years from the date the officer with whom the return for such year has been filed is notified by the taxpayer of the replacement of the converted property or of an intention not to replace, or of a failure to replace, within the required period, notwithstanding the provisions of section 272 (f) or the provisions of any other law or rule of law which would otherwise prevent such assessment. If replacement has been made, such notification shall contain all of the details in connection with such replacement. Such notification should be made in the return for the taxable year or years in which the replacement occurs, or the intention not to replace is formed, or the period for replacement expires, if this return is filed with such officer. If this return is not filed with such officer, then such notification shall be made to such officer at the time of filing this return. If the taxpayer so desires, he may, in either event, also notify such officer prior to the filing of such return.

(6) If a taxpayer makes an election under section 112 (f) (3) and the replacement property or stock was purchased prior to the beginning of the last taxable year in which any part of the gain upon the conversion is realized, any deficiency, for any taxable year ending before such last taxable year, which is attributable to such election may be assessed at any time prior to the expiration of the period within which a deficiency for such last taxable year may be assessed, notwithstanding the provisions of section 272 (f) or 275 or the provisions of any law or rule of law which would otherwise prevent such assessment.

(7) If the taxpayer makes an election under section 112 (f) (3), the gain upon the conversion shall be recognized to the extent that the amount realized upon such conversion exceeds the cost of the replacement property or stock, regardless of whether such amount is realized in one or more taxable years.

(8) See § 29.112 (f)–1 as to when property is similar or related in service or use to other property, and as to the treatment of proceeds of a use and occupancy insurance contract and of special assessments.

PAR. 5. There is inserted immediately after § 29.112 (m)–4, as added by Treasury Decision 5374, approved May 25, 1944, the following:

SEC. 318. GAIN FROM SALE OR EXCHANGE OF TAXPAYER'S RESIDENCE (REVENUE ACT OF 1951, APPROVED OCTOBER 20, 1951).

(a) *Nonrecognition of gain in certain cases.* Section 112 (relating to recognition of gain or loss) is hereby amended by adding at the end thereof the following new subsection:

(n) *Gain from sale or exchange of residence*—(1) *Nonrecognition of gain.* If property (hereinafter in this subsection called "old residence") used by the taxpayer as his principal residence is sold by him and, within a period beginning one year prior to the date of such sale and ending one year after such date, property (hereinafter in this subsection called "new residence") is purchased and used by the taxpayer as his principal residence, gain (if any) from such sale shall be recognized only to the extent that the taxpayer's selling price of the old residence exceeds the taxpayer's cost of purchasing the new residence.

(2) *Rules for application of subsection.* For the purposes of this subsection:

(A) An exchange by the taxpayer of his residence for other property shall be considered as a sale of such residence, and the acquisition of a residence upon the exchange of property shall be considered as a purchase of such residence.

(B) If the taxpayer's residence (as a result of its destruction in whole or in part, theft, or seizure) is compulsorily or involuntarily converted into property or into money, such destruction, theft, or seizure shall be considered as a sale of the residence; and if the residence is so converted into property which is used by the taxpayer as his residence, such conversion shall be considered as a purchase of such property by the taxpayer.

(C) In the case of an exchange or conversion described in subparagraph (A) or (B), in determining the extent to which the selling price of the old residence exceeds the taxpayer's cost of purchasing the new residence, the amount realized by the taxpayer upon such exchange or conversion shall be considered the selling price of the old residence.

(D) A residence any part of which was constructed or reconstructed by the taxpayer shall be considered as purchased by the taxpayer. In determining the taxpayer's cost of purchasing a residence, there shall be included only so much of his cost as is attributable to the acquisition, construction, reconstruction, and improvements made which are properly chargeable to capital account, during the period specified in paragraph (1).

(E) If a residence is purchased by the taxpayer prior to the date of his sale of the old residence, the purchased residence shall not be treated as his new residence if sold or otherwise disposed of by him prior to the date of the sale of the old residence.

(F) If the taxpayer, during the period described in paragraph (1), purchases more than one residence which is used by him as his principal residence at some time within one year after the date of the sale of the old residence, only the last of such residences so used by him after the date of such sale shall constitute the new residence. If within the one year referred to in the preceding sentence property used by the taxpayer as his principal residence is destroyed, stolen, seized, requisitioned, or condemned, or is sold or exchanged under threat or imminence thereof, then for the purposes of the preceding sentence such one year shall be considered as ending with the date of such destruction, theft, seizure, requisition, condemnation, sale, or exchange.

(G) In the case of a new residence the construction of which was commenced by the taxpayer prior to the expiration of one year after the date of the sale of the old residence, the period specified in paragraph (1), and the one year referred to in subparagraph (F) of this paragraph, shall be considered as including a period of 18 months beginning with the date of the sale of the old residence.

(3) *Limitation.* The provisions of paragraph (1) shall not be applicable with respect to the sale of the taxpayer's residence if within one year prior to the date of such sale the taxpayer sold at a gain other property used by him as his principal residence, and any part of such gain was not recognized by reason of the provisions of paragraph (1). For the purposes of this paragraph, the destruction, theft, seizure, requisition, or condemnation of property or the sale or exchange of property under threat or imminence thereof, shall not be considered as a sale of such property.

(4) *Basis of new residence.* Where the purchase of a new residence results, under paragraph (1), in the nonrecognition of gain upon the sale of an old residence, in determining the adjusted basis of the new residence as of any time following the sale of the old residence, the adjustments to basis shall include a reduction by an amount equal to the amount of the gain not so recognized upon the sale of the old residence. For this purpose, the amount of the gain not so recognized upon the sale of the old residence includes only so much of such gain as is not recognized by reason of the cost, up to such time, of purchasing the new residence.

(5) *Tenant-stockholder in a cooperative apartment corporation.* For the purposes of this subsection, section 113 (b) (1) (K), and section 117 (h) (7), references to property used by the taxpayer as his principal residence, and references to the residence of a taxpayer, shall include stock held by a tenant-stockholder (as defined in section 23 (z) (2)) in a cooperative apartment (as defined in such section) if—

(A) In the case of stock sold, the apartment which the taxpayer was entitled to occupy as such stockholder was used by him as his principal residence, and

(B) In the case of stock purchased, the taxpayer used as his principal residence the apartment which he was entitled to occupy as such stockholder.

(6) *Husband and wife.* If the taxpayer and his spouse, in accordance with regulations which shall be prescribed by the Secretary pursuant to this paragraph, consent to the application of subparagraph (B) of this paragraph, then—

(A) For the purposes of this subsection, the words "taxpayer's selling price of the old residence" shall mean the selling price (of the taxpayer, or of the taxpayer and his spouse) of the old residence, and the words "taxpayer's cost of purchasing the new residence" shall mean the cost (to the taxpayer, his spouse, or both) of purchasing the new residence (whether held by the taxpayer, his spouse, or the taxpayer and his spouse); and

(B) So much of the gain upon the sale of the old residence as is not recognized solely by reason of this paragraph, and so much of the adjustment under paragraph (4) to the basis of the new residence as results solely from this paragraph, shall be allocated between the taxpayer and his spouse as provided in such regulations.

This paragraph shall apply only if the old residence and the new residence are each used by the taxpayer and his spouse as their principal residence. In case the taxpayer and his spouse do not consent to the application of subparagraph (B) of this paragraph, then the recognition of gain upon the sale of the old residence shall be determined under this subsection without regard to the rules provided in this paragraph.

(7) *Statute of limitations.* If the taxpayer during a taxable year sells at a gain property used by him as his principal residence, then—

(A) The statutory period for the assessment of any deficiency attributable to any part of such gain shall not expire prior to the expiration of three years from the date the Secretary is notified by the taxpayer (in such manner as the Secretary may by regulations prescribe) of—

(i) The taxpayer's cost of purchasing the new residence which the taxpayer claims results in nonrecognition of any part of such gain,

(ii) The taxpayer's intention not to purchase a new residence within the period specified in paragraph (1), or

(iii) A failure to make such purchase within such period; and

(B) Such deficiency may be assessed prior to the expiration of such three-year period notwithstanding the provisions of any other law or rule of law which would otherwise prevent such assessment.

* * * * *

(c) *Effective date.* The amendments made by this section shall be applicable to taxable years ending after December 31, 1950, but the provisions of section 112 (n) (1) and (6) of the Internal Revenue Code shall apply only with respect to residences sold (within the meaning of such section) after such date.

PUBLIC LAW 567, 82D CONGRESS, APPROVED JULY 16, 1952

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 112 (n) of the Internal Revenue Code (relating to nonrecognition of gain from sale or exchange of residence) is hereby amended by adding at the end thereof the following new paragraph:

(8) *Members of Armed Forces.* The running of any period of time specified in paragraph (1) or (2) (other than the one year referred to in paragraph (2) (F)) of this subsection shall be suspended during any time that the taxpayer (or his spouse if the old residence and the new residence are each used by the taxpayer and his spouse as their principal residence) serves on extended active duty with the Armed Forces of the United States after the date of the sale of the old residence and before January 1, 1954, except that any such period as so suspended shall not extend beyond the date four years after the date of the sale of the old residence. For the purpose of this paragraph, the term "extended active duty" means any period of active duty pursuant to a call or order to such duty for a period in excess of ninety days or for an indefinite period.

SEC. 2. The amendment made by the first section of this Act shall be applicable to taxable years ending after December 31, 1950, with respect to residences sold (within the meaning of section 112 (n) of the Internal Revenue Code) after such date.

* * * * *

§ 29.112 (n)–1 *Gain from sale or exchange of residence*—(a) *In general.* Gain from a sale after December 31, 1950, of property used by the taxpayer as his principal residence (referred to in this section as the "old residence") will not be recognized if the taxpayer within a period beginning one year prior to the date of such sale and ending one year after such date purchases property and uses it as his principal residence (referred to in this section as the "new residence") except to the extent that the taxpayer's selling price of the old residence exceeds the taxpayer's cost of purchasing the new residence. In the case of a new residence the construction of which was commenced by the taxpayer at any time prior to the expiration of one year after the date of the sale of the old residence, the one year after the sale of the old residence referred to in the preceding sentence shall be considered as including a period of 18 months beginning with the date of the sale of the old residence. Such nonrecognition of gain is mandatory. This section applies only with respect to gains; losses from sales of property used by the taxpayer as his principal residence are recognized or not recognized without regard to this section.

(b) *Rules for application of section*—(1) *Property used by the taxpayer as his principal residence.* (i) Whether or not property is used by the taxpayer as his residence, and whether or not property is used by the taxpayer as his principal residence (in the case of a taxpayer using more than one property as a residence), depends upon all of the facts and circumstances in each individual case, including the bona fides of the taxpayer. The mere fact that property is, or has been, rented is not determinative that such property is not used

by the taxpayer as his principal residence. For example, if the taxpayer purchases his new residence before he sells his old residence, the fact that he temporarily rents out the new residence during the period before he vacates the old residence may not, in the light of all the facts and circumstances in the case, prevent the new residence from being considered as property used by the taxpayer as his principal residence. Property used by the taxpayer as his principal residence may include a houseboat, a house trailer, or stock held by a tenant-stockholder in a cooperative apartment corporation (as those terms are defined in section 23 (z) (2)), if the apartment which the taxpayer is entitled to occupy as such stockholder is used by him as his principal residence. Property used by the taxpayer as his principal residence does not include personal property such as a piece of furniture, a radio, etc., which, in accordance with the applicable local law, is not a fixture.

(ii) Where part of a property is used by the taxpayer as his principal residence and part is used for other purposes, an allocation must be made to determine the application of this section. If the old residence is used only partially for residential purposes, only that part of the gain allocable to the residential portion may be not recognized under this section and only an amount allocable to the selling price of such portion need be reinvested in the new residence in order to have the gain allocable to such portion not recognized under this section. If the new residence is used only partially for residential purposes, only so much of its cost as is allocable to the residential portion may be counted as the cost of purchasing the new residence.

(2) *Sale of residence.* For the purpose of this section, an exchange by the taxpayer of his residence for other property shall be considered as a sale of such residence. Also, if the taxpayer's residence (as a result of its destruction in whole or in part, theft, seizure, requisition or condemnation) is compulsorily or involuntarily converted into money or property, the destruction, theft, seizure, requisition or condemnation shall be considered as a sale of such residence.

(3) *Purchase of residence.* For the purpose of this section, the acquisition of a residence upon the exchange of property shall be considered as a purchase of such residence. Also, the acquisition of a residence upon the compulsory or involuntary conversion of the taxpayer's residence as the result of its destruction in whole or in part, theft, seizure, requisition or condemnation shall be considered to be a purchase of the residence. A residence any part of which was constructed or reconstructed by the taxpayer shall be considered as purchased by the taxpayer, but the mere improvement of a residence, not amounting to reconstruction, does not constitute a purchase of a residence.

(4) *Selling price of old residence.* The taxpayer's selling price of the old residence includes the amount of any mortgage, trust deed, or other indebtedness to which such property is subject in the hands of the purchaser whether or not the purchaser assumed such indebtedness. Such selling price also includes the face amount of any liabilities of the purchaser which are part of the consideration for the sale. Commissions and other selling expenses paid or incurred by the taxpayer on the sale of the old residence are not to be deducted or taken into account in determining such selling price. In the case of an exchange or conversion which is considered as a sale under this section, the amount realized by the taxpayer upon such exchange or conversion shall be considered to be the taxpayer's selling price of the old residence. As to what constitutes the amount realized, see § 29.111–1.

(5) *Cost of purchasing new residence.* The taxpayer's cost of purchasing the new residence also includes such indebtedness to which the property purchased is subject at the time of purchase whether or not assumed by the taxpayer (including purchase-money mortgages, etc.) and the face amount of any liabilities of the taxpayer which are part of the consideration for the purchase. Commissions and other purchasing expenses paid or incurred by the taxpayer on the purchase of the new residence are to be included in determining such cost. In the case of an acquisition of a residence upon an exchange or conversion which is considered as a purchase under this section, the fair market value of the new residence shall be considered as the taxpayer's cost of purchasing the new residence. The taxpayer's cost of purchasing the new residence includes only so much of such cost as is attributable to acquisition, construction, reconstruction, or improvements made within the two-year or 30 months period of time, as the case may be, in which the purchase and use of the new residence must be made in order to have gain on the sale of the old residence not recognized under this section. Such cost also includes only such amounts as are properly chargeable to capital account rather than to the current expense. As to what constitutes capital expenditures, see § 29.24–2. Where any part of the new residence is acquired by the taxpayer other than by purchase, the value of such part is not to be included in determining the taxpayer's cost of the new residence. For example, if the taxpayer acquires a residence by gift or inheritance, and spends $20,000 in reconstructing such residence, only such $20,000 may be treated as his cost of purchasing the new residence.

(6) *Selling price and cost of residence in the case of husband and wife.* (i) If the taxpayer and his spouse file the consent referred to in this subdivision, then the "taxpayer's selling price of the old residence" shall mean the taxpayer's or the taxpayer and his spouse's selling price of the old residence, and the "taxpayer's cost of purchasing the new residence" shall mean the cost to the taxpayer, or to his spouse, or to both of them, of purchasing the new residence, whether such new residence is held by the taxpayer, or his spouse, or both. Such consent may be filed only if the old residence and the new residence are each used by the taxpayer and his same spouse as their principal residence. If the taxpayer and his spouse do not file such a consent, the recognition of gain upon sale of the old residence shall be determined under this section without regard to the foregoing.

(ii) The consent referred to in subdivision (i) of this subparagraph is a consent by the taxpayer and his spouse to have the basis of the interest of either of them in the new residence reduced from what it would have been but for the filing of such consent by an amount by which the gain of either of them on the sale of his interest in the old residence is not recognized solely by reason of the filing of such consent. Such reduction in basis is applicable to the basis of the new residence, whether such basis is that of the husband, of the wife, or divided between them. If the basis is divided between the husband and wife, the reduction in basis shall be divided between them in the same proportion as the basis (determined without regard to such reduction) is divided between them. Such consent shall be filed with the officer with whom the return for the taxable year or years in which the gain from the sale of the old residence is realized has been filed. The following examples will illustrate the application of this rule:

Example (1). A taxpayer, in 1951, sells for $10,000 the principal residence of himself and his wife, which he owns individually and which has an adjusted basis to him of $5,000. Within a year after such sale he and his wife contribute $5,000 each from their separate funds for the purchase of their new principal residence which they hold as tenants in common, each owning an undivided one-half interest therein. If the taxpayer and his wife file the required consent, the gain of $5,000 upon the sale of the old residence will not be recognized to the taxpayer, and the adjusted basis of the taxpayer's interest in the new residence will be $2,500 and the adjusted basis of the taxpayer's wife's interest in such property will be $2,500.

Example (2). A taxpayer and his wife, in 1951, sell for $10,000 their principal residence, which they own as joint tenants and which has an adjusted basis of $2,500 to each of them ($5,000 together). Within a year after such sale, the wife spends $10,000 of her own funds in the purchase of a principal residence for herself and the taxpayer and takes title in her name only. If the taxpayer and his wife file the required consent, the adjusted basis to the wife of the new residence shall be $5,000, and the gain of the taxpayer of $2,500 upon the sale of the old residence will not be recognized. The wife, as a taxpayer herself, will have her gain of $2,500 on the sale of the old residence not recognized under the general rule.

(c) *Basis of new residence.* Where the purchase of a new residence results, under this section, in the nonrecognition of any part of the gain realized upon the sale of an old residence, then, in determining the adjusted basis of the new residence as of any time following the sale of the old residence, the adjustments to basis shall include a reduction by an amount equal to the amount of the gain which was not recognized upon the sale of the old residence. Such a reduction is not to be made for the purpose of determining the adjusted basis of the new residence as of any time preceding the sale of the old residence. For the purpose of this determination, the amount of the gain not recognized under this section upon the sale of the

old residence includes only so much of the gain as is not recognized because of the taxpayer's cost, up to the date of the determination of the adjusted basis, of purchasing the new residence. The following example will illustrate this rule:

Example (3). On January 1, 1951, the taxpayer buys a new residence for $10,000. On March 1, 1951, he sells for $15,000 his old residence which has an adjusted basis to him of $5,000. During April a wing is constructed on the new house at a cost of $5,000 and in May he builds a garage at a cost of $2,000. The adjusted basis of the new residence is $10,000 during January and February, $5,000 during March and April, and $7,000 following the completion of the construction in May.

(d) *Limitations on application of section.* If a residence is purchased by the taxpayer prior to the date of the sale of the old residence, the purchased residence shall, in no event, be treated as a new residence if such purchased residence is sold or otherwise disposed of by him prior to the date of the sale of the old residence. And, if the taxpayer, during the period within which the purchase and use of the new residence must be made in order to have any gain on the sale of the old residence not recognized under this section, purchases more than one property which is used by him as his principal residence during the one year (or 18 months in the case of the construction of the new residence) succeeding the date of the sale of the old residence, only the last of such properties shall be considered a new residence. However, if the taxpayer's new residence is destroyed, stolen, seized, requisitioned, condemned, or sold or exchanged under the threat or imminence of requisition or condemnation within such year (or 18 months) succeeding the sale of the old residence, then, for the purpose of the preceding sentence, such year (or 18 months) is deemed to end on the date of the destruction, theft, seizure, requisition, condemnation, sale, or exchange. If within one year prior to the date of the sale of the old residence, the taxpayer sold other property used by him as his principal residence at a gain, and any part of such gain was not recognized under this section, this section shall not apply with respect to the sale of the old residence. For the purpose of the preceding sentence, however, the destruction, theft, seizure, requisition, condemnation, or sale or exchange under threat or imminence of requisition or condemnation shall not be considered as a sale. The following example will illustrate these rules:

Example (4). A taxpayer sells his old residence on January 15, 1951, and purchases a new residence on February 15, 1951. On March 15, 1951, he sells the new residence and purchases a second new residence on April 15, 1951. The gain on the sale of the old residence on January 15, 1951, will not be recognized except to the extent to which the taxpayer's selling price of the old residence exceeds the cost of purchasing the second new residence purchased on April 15, 1951. Gain on the sale of the first new residence on March 15, 1951, will be recognized. If, instead of selling the first new residence on March 15, 1951, such residence had been destroyed by fire on that date and insurance proceeds in cash had been received as a result thereof, the gain on the sale of the old residence on January 15, 1951, will not be recognized except to the extent to which the taxpayer's selling price of the old residence exceeds his cost of purchasing the new residence purchased on February 15, 1951. And, the gain on the involuntary conversion by fire of the first new residence on March 15, 1951, will not be recognized except to the extent to which the amount realized from such conversion exceeds the taxpayer's cost of purchasing the second new residence purchased on April 15, 1951.

(e) *Statute of limitations.* (1) Whenever a taxpayer sells property used as his principal residence at a gain, the statutory period prescribed in section 275 for the assessment of any deficiency attributable to any part of such gain will not expire prior to the expiration of three years from the date the officer, with whom the return for the taxable year or years in which the gain from the sale of the old residence is realized has been filed, is notified by the taxpayer (i) of the cost of purchasing the new residence which the taxpayer claims results in the nonrecognition of any part of such gain, or (ii) of the taxpayer's intention not to, or failure to, purchase a new residence within the period when such a purchase will result in the nonrecognition of any part of such gain. Such a deficiency may be assessed prior to the expiration of such three-year period notwithstanding the provisions of any other law or rule of law which might otherwise bar such assessment.

(2) Such notification shall be made in the return for the taxable year or years in which the purchase of the new residence occurs, or the intention not to make such a purchase is formed, or the period for the replacement expires if this return is filed with such officer. If this return is not filed with such officer, then such notification shall be made to such officer at the time of filing this return. If the taxpayer so desires, he may, in either event, also notify such officer prior to the filing of this return. Such notification shall contain all of the details in connection with the sale of the residence and, if applicable, the purchase of the new residence. If an intention not to replace is formed, or if the period for replacement expires, or if the cost of purchasing the new residence is less than the selling price of the old residence, the recognizable gain shall be included in the gross income for the taxable year or years in which such gain was realized; a recomputation in the form of an "amended return" should be made for this purpose if necessary.

(f) *Members of Armed Forces.* (1) The running of the one-year (or 18 months in the case of the construction of the new residence) period, specified in paragraph (a) of this section, after the sale of the old residence within which the purchase and use of a new residence may result in the nonrecognition of gain on such sale shall be suspended during any time that the taxpayer serves on extended active duty in the Armed Forces of the United States after the date of the sale of the old residence and before January 1, 1954. Any such period as so suspended, however, shall not extend beyond the date four years after the date of the sale of the old residence. For example, if the taxpayer is on extended active duty with the army from January 1, 1951, to December 31, 1953, and if he sold his old residence on January 1, 1951, the latest date on which the taxpayer may use a new residence constructed by him and have any part of the gain on the sale of the old residence not recognized under this section is January 1, 1955, the date four years after the date of the sale of the old residence.

(2) This suspension covers not only the Armed Forces service of the taxpayer but if the taxpayer and his same spouse used both the old and the new residences as their principal residence, then the extension applies in like manner to the time the taxpayer's spouse is on extended active duty with the Armed Forces of the United States.

(3) The time during which the running of the period is suspended is part of such period. Thus, construction costs during such time are includible in the cost of purchasing the new residence under paragraph (b) (5) of this section.

(4) The running of the one-year (or 18 month) periods referred to in paragraph (d) of this section is not suspended, nor is the running of the one-year period prior to the date of the sale of the old residence within which the new residence may be purchased in order to have gain on the sale of the old residence not recognized under this section.

(5) The term "extended active duty" means any period of active duty which is served pursuant to a call or order to such duty for a period in excess of 90 days or for an indefinite period. If the call or order is for a period of more than 90 days, it is immaterial that the time served pursuant to such call or order is less than 90 days, if the reason for such shorter period of service occurs after the beginning of such duty. As to what constitutes active service as a member of the Armed Forces of the United States, see § 29.22 (b) (13)–2. As to who are members of the Armed Forces of the United States, see § 29.3797–11.

PAR. 6. There is inserted immediately preceding § 29.113 (a) (9)–1 the following:

SEC. 318. GAIN FROM SALE OR EXCHANGE OF TAXPAYER'S RESIDENCE (REVENUE ACT OF 1951, APPROVED OCTOBER 20, 1951).

* * * * *

(b) *Technical amendments.*

* * * * *

(2) Section 113 (a) (9) (relating to basis of property acquired as a result of involuntary conversions) is hereby amended by adding at the end thereof the following: "This paragraph shall not apply in respect of property acquired as a result of a compulsory or involuntary conversion of property used by the taxpayer as his principal residence if the destruction, theft, seizure, requisition, or condemnation of such residence, or the sale or exchange of such residence under threat or imminence thereof, occurred after December 31, 1950."

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PUBLIC LAW 251, 82D CONGRESS, APPROVED OCTOBER 31, 1951

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SEC. 2. Paragraph (9) of section 113 (a) of the Internal Revenue Code (relating to unadjusted basis of property acquired as the result of an involuntary conversion) is hereby amended by striking out "section 112

(f)" and inserting in lieu thereof "section 112 (f) (1) or (2)", and by adding at the end of such paragraph the following new sentence: "In the case of property purchased by the taxpayer which resulted, under the provisions of section 112 (f) (3), in the nonrecognition of any part of the gain realized as the result of a compulsory or involuntary conversion, the basis shall be the cost of such property decreased in the amount of the gain not so recognized; and if the property purchased consists of more than one piece of property, the basis determined under this sentence shall be allocated to the purchased properties in proportion to their respective costs."

SEC. 3. The amendments made by the first two sections of this Act shall be applicable only with respect to taxable years ending after December 31, 1950, except that the provisions of section 112 (f) (3), and the provisions of section 113 (a) (9), of the Internal Revenue Code as amended by this Act shall also be applicable to any taxable year ending prior to January 1, 1951, in which (a) any gain was realized upon the conversion of property and the disposition of such converted property occurred (within the meaning of such section 112 (f) (3)) after December 31, 1950, or (b) the basis of property is affected by an election made under the provisions of section 112 (f) (3) of such code.

* * * * *

PAR. 7. Section 29.113 (a) (9)–1 is hereby amended as follows:

(A) By inserting immediately after the words "The provisions of" therein the following "the first sentence of", and by inserting after the word *"Example"* therein the following "*(1)*".

(B) By adding at the end thereof the following:

The provisions of the last sentence of section 113 (a) (9) may be illustrated by the following example:

Example (2). A taxpayer realizes $22,000 from the involuntary conversion of his barn; the adjusted basis of the barn to him was $10,000, and he spent $20,000 for a new barn which resulted in the nonrecognition of $10,000 of the $12,000 gain on the conversion. The unadjusted basis of the new barn to the taxpayer would be $10,000—the cost of the new barn ($20,000) less the amount of the gain not recognized on the conversion ($10,000). The unadjusted basis of the new barn would not be a substituted basis in the hands of the taxpayer within the meaning of section 113 (b) (2) (B) and § 29.113 (b) (2)–1. If the replacement of the converted barn had been made by the purchase of two smaller barns which, together, were similar or related in service or use to the converted barn and which cost $8,000 and $12,000, respectively, then the basis of the two barns would be $4,000 and $6,000, respectively, the cost of each barn ($8,000 and $12,000) less in each case the proportion of the gain not recognized on the conversion ($10,000) that the cost of each barn bears to the cost of both barns $\left(\frac{8,000}{20,000} \text{ and } \frac{12,000}{20,000}\right)$.

PAR. 8. There is inserted immediately preceding § 29.113 (b) (1)–1 the following:

SEC. 318. GAIN FROM SALE OR EXCHANGE OF TAXPAYER'S RESIDENCE (REVENUE ACT OF 1951, APPROVED OCTOBER 20, 1951).

* * * * *

(b) *Technical amendments.*

* * * * *

(3) Section 113 (b) (1) (relating to adjusted basis of property) is hereby amended by adding at the end thereof the following new subparagraph:

(K) In the case of a residence the acquisition of which resulted, under the provisions of section 112 (n), in the nonrecognition of any part of the gain realized upon the sale, exchange, or involuntary conversion of another residence, to the extent provided in section 112 (n) (4).

* * * * *

PAR. 9. Section 29.113 (b) (1)–1, as amended by Treasury Decision 5980, approved February 3, 1953, is hereby amended by adding at the end thereof the following new paragraph (k):

(k) For the adjustments to basis of a residence because its acquisition resulted, under the provisions of section 112 (n), in the nonrecognition of any part of the gain realized upon the sale, exchange, or involuntary conversion of another residence, see § 29.112 (n)–1.

PAR. 10. There is inserted immediately preceding § 29.117–1 the following:

SEC. 318. GAIN FROM SALE OR EXCHANGE OF TAXPAYER'S RESIDENCE (REVENUE ACT OF 1951, APPROVED OCTOBER 20, 1951).

* * * * *

(b) *Technical amendments.*

* * * * *

(4) Section 117 (h) (relating to determination of holding period) is hereby amended by adding at the end thereof the following new paragraph:

(7) In determining the period for which the taxpayer has held a residence, the acquisition of which resulted under section 112 (n) in the nonrecognition of any part of the gain realized on the sale, exchange, or involuntary conversion of another residence, there shall be included the period for which such other residence had been held as of the date of such sale, exchange, or involuntary conversion.

* * * * *

PAR. 11. Section 29.117–4 is hereby amended by adding at the end thereof the following new paragraph (d):

(d) The period for which the taxpayer has held a residence, the acquisition of which resulted, under the provisions of section 112 (n), in the nonrecognition of any part of the gain realized on the sale, exchange, or involuntary conversion of another residence, shall include the period for which such other residence had been held as of the date of such sale, exchange, or involuntary conversion. See § 29.112 (n)–1.

PAR. 12. There is inserted immediately preceding § 29.275–1 the following:

SEC. 318. GAIN FROM SALE OR EXCHANGE OF TAXPAYER'S RESIDENCE (REVENUE ACT OF 1951, APPROVED OCTOBER 20, 1951).

* * * * *

(b) *Technical amendments.*

* * * * *

(5) Section 276 (relating to period of limitation upon assessment and collection) is hereby amended by adding at the end thereof the following:

(e) *Gain upon sale or exchange of residence.* In the case of a deficiency described in section 112 (n) (7), such deficiency may be assessed at any time prior to the expiration of the time therein provided.

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(b) Section 276 of the Internal Revenue Code (relating to period of limitation upon assessment and collection) is hereby amended by adding at the end thereof the following:

(f) *Involuntary conversion.* In the case of a deficiency described in section 112 (f) (3) (C) or (D), such deficiency may be assessed at any time prior to the expiration of the time therein provided.

* * * * *

PAR. 13. Section 29.275–1, as amended by Treasury Decision 5971, approved January 8, 1953, is hereby amended by inserting immediately preceding the last paragraph thereof the following:

(14) In the case of a deficiency described in section 112 (n) (7), such deficiency may be assessed at any time prior to the expiration of the time therein provided. See § 29.112 (n)–1.

(15) In the case of a deficiency described in section 112 (f) (3) (C) or (D), such deficiency may be assessed at any time prior to the expiration of the time therein provided. See § 29.112 (f)–3.

(53 Stat. 32, 467; 26 U. S. C. 62, 3791. Interprets or applies sec. 112, 53 Stat. 37, as amended; 26 U. S. C. 112)

[SEAL] JUSTIN F. WINKLE,
Acting Commissioner of Internal Revenue.

Approved: February 17, 1953.

ELBERT P. TUTTLE,
Acting Secretary of the Treasury.

[F. R. Doc. 53–1741; Filed, Feb. 20, 1953; 8:50 a. m.]

[T. D. 5992, Regs. 111, 130]

PART 29—INCOME TAX; TAXABLE YEARS BEGINNING AFTER DECEMBER 31, 1941

PART 40—EXCESS PROFITS TAX; TAXABLE YEARS ENDING AFTER JUNE 30, 1950

TAXABILITY OF LIFE INSURANCE COMPANIES

In order to conform Regulations 111 (26 CFR Part 29) and Regulations 130 (26 CFR Part 40) to Public Law 468, 82d Congress, approved July 8, 1952, relating to taxability of life insurance companies, such regulations are amended as follows:

PARAGRAPH 1. There is inserted immediately before § 29.201–1 the following:

PUBLIC LAW 468, 82D CONGRESS, APPROVED JULY 8, 1952

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 201 (a) (1) (relating to imposition of tax on life-insurance companies) of the Internal Revenue Code is hereby amended by adding after "1951" wherever it appears, "and 1952".

* * * * *

SEC. 2. The provisions of section 201 (f) * * * and sections 201 (a) (1) * * * of the Internal Revenue Code as amended by this Act shall be applicable to taxable years beginning in 1952.

PAR. 2. Section 29.201–1, as amended by Treasury Decision 5885, approved February 21, 1952, is further amended as follows:

(A) By inserting in the first sentence of paragraph (a) after the words "with respect to taxable years beginning in 1951" the words "and 1952".

(B) By changing the last sentence of paragraph (b) thereof to read as follows: "For computation of 1951 or 1952 adjusted normal-tax net income from the normal-tax net income for such year, see §§ 29.203a–1 and 29.203a–2."

PAR. 3. Section 29.201–5, as amended by Treasury Decision 5885, is further amended by changing in the second sentence thereof the words "in the case of taxable years beginning in 1951" to read as follows: "in the case of a taxable year beginning in 1951 or 1952".

PAR. 4. Section 29.201–6, as amended by Treasury Decision 5885, is further amended by inserting in the first sentence in lieu of the words "for taxable years beginning in 1951" the words "in the case of a taxable year beginning in 1951 or 1952".

PAR. 5. Section 29.202–2, as amended by Treasury Decision 5885, is further amended by changing the undesignated last paragraph thereof to read as follows:

In the case of a taxable year beginning in 1951 or 1952, an amount equal to eight times the amount of the applicable adjustment provided in the preceding paragraph must be added to normal-tax net income for such year as a factor in determining 1951 or 1952 adjusted normal-tax net income.

PAR. 6. There is inserted immediately preceding § 29.203a–1, as added by Treasury Decision 5885, the following:

PUBLIC LAW 468, 82D CONGRESS, APPROVED JULY 8, 1952

* * * * *

(b) Section 203A (relating to adjusted normal-tax net income of life-insurance companies) of the Internal Revenue Code is hereby amended by adding after "1951", wherever it appears, "and 1952".

* * * * *

SEC. 2. The provisions of section * * * 203A * * * of the Internal Revenue Code as amended by this Act shall be applicable to taxable years beginning in 1952.

PAR. 7. Section 29.203a–1, as added by Treasury Decision 5885, is amended to read as follows:

§ 29.203a–1 *Tax on life insurance companies in the case of a taxable year beginning in 1951 or 1952.* (a) Section 201 (a), as amended by section 336 of the Revenue Act of 1951 and Public Law 468 (82d Congress), provides that in the case of a taxable year beginning in 1951 or 1952, the tax imposed on a life insurance company for such year shall consist of a tax upon the 1951 adjusted normal-tax net income or the 1952 adjusted normal-tax net income of the company equal to 3¾ percent of the amount of such income not in excess of $200,000, plus 6½ percent of the amount of such income in excess of $200,000. The terms "1951 adjusted normal-tax net income" and "1952 adjusted normal-tax net income" mean the normal-tax net income (consisting of net income computed as provided in § 29.201–7 less the credit for partially tax-exempt interest allowed under section 26 (a) and less the credit for dividends received allowed under section 26 (b)) for the taxable year beginning in 1951 or 1952, as the case may be, plus eight times the amount of the adjustment for certain reserves computed as provided in section 202 (c) (see § 29.202–2), and minus the reserve interest credit, if any, provided in section 203A (b) (see § 29.203a–2). The reserve and other policy liability credit is not allowed for purposes of the computation of 1951 adjusted normal-tax net income or 1952 adjusted normal-tax net income.

(b) The tax imposed upon 1951 adjusted normal-tax net income or upon 1952 adjusted normal-tax net income, as the case may be, by section 201 (a) is in lieu of the tax on adjusted normal-tax net income and the tax on adjusted surtax net income imposed by section 201 (a) for taxable years other than taxable years beginning in 1951 and 1952.

PAR. 8. Section 29.203a–2, as added by Treasury Decision 5885, is amended by inserting after "1951" in the first sentence thereof the words "or 1952".

PAR. 9. There is inserted immediately preceding § 40.433 (a)–1 the following:

PUBLIC LAW 468, 82D CONGRESS, APPROVED JULY 8, 1952

* * * * *

(c) Section 433 (a) (1) (H) (relating to excess profits net income of life-insurance companies) of the Internal Revenue Code is hereby amended by adding after "1951", wherever it appears, "and 1952".

SEC. 2. The provisions of section * * * 433 (a) (1) (H) of the Internal Revenue Code as amended by this Act shall be applicable to taxable years beginning in 1952.

PAR. 10. Section 40.433 (a)–2 (h), as amended by Treasury Decision 5885, is further amended as follows:

(A) By inserting in the parenthetical phrase in the first sentence thereof after "1951" the following: "or 1952".

(B) By inserting in the parenthetical clause in the second sentence thereof after "1951" the following: "or 1952".

PAR. 11. Because this Treasury decision merely makes applicable for taxable years beginning in 1952 the same rules as are applicable for taxable years beginning in 1951 for determining the income and excess-profits tax liability of life insurance companies it is hereby found to be unnecessary to issue this Treasury decision with notice and public procedure thereon under section 4 (a) of the Administrative Procedure Act, approved June 11, 1946, or subject to the effective date limitation of section 4 (c) of that act.

(53 Stat. 32, 467; 26 U. S. C. 62, 3791)

[SEAL] T. COLEMAN ANDREWS,
Commissioner of Internal Revenue.

Approved: February 17, 1953.

ELBERT P. TUTTLE,
Acting Secretary of the Treasury.

[F. R. Doc. 53–1740; Filed, Feb. 20, 1953; 8:50 a. m.]

TITLE 32—NATIONAL DEFENSE

Chapter V—Department of the Army

Subchapter E—Organized Reserves

PART 561—ARMY RESERVE

APPOINTMENT AS RESERVE COMMISSIONED OFFICERS OF THE ARMY FOR ASSIGNMENT TO ARMY MEDICAL SERVICE BRANCHES

Section 561.18 is revised to read as follows:

§ 561.18 *Appointment as Reserve Commissioned Officers of the Army for assignment to Army Medical Service branches*—(a) *Branches.* Applicants appointed under this section may be assigned to all branches that comprise the Army Medical Service, except that male applicants will not be assigned to the Army Nurse Corps and Women's Medical Specialist Corps branches. Paragraphs (g) to (l) of this section show specialties under each branch.

(b) *Grade for appointment and personnel eligible.* (1) Officers and former officers as indicated in subdivisions (i) and (ii) of this subparagraph, who have served satisfactorily in the corps and specialty for which they are applying (or its counterpart, if such service was performed in other than the Army) may be appointed in the highest grade (or comparable grade, if such service was performed in other than the Army) held in such corps, based on their prior service, or may be appointed in the highest grade for which they can qualify by education and experience as indicated in subparagraph (2) of this paragraph.

(i) Former officers of any of the Armed Forces of the United States, the Coast Guard and the United States Public Health Service, and Reserve and temporary officers thereof.

(ii) Officers of reserve components of other Armed Forces and the United States Public Health Service.

(2) Except for those specified in subparagraph (1) of this paragraph, qualified persons with or without military service, including members of the Army Reserve when not on active duty seeking appointment in a grade higher than that presently held, may qualify for appointment based on education and/or experience and may be appointed in grades authorized in paragraphs (g) to (l) of this section. Grade determination will be made by the examining board subject to final approval of the authority tendering appointments. However, when appointments are made to fill existing vacancies they will not be made in a grade higher than the vacancy in question, regardless of the fact that the individual may qualify for a higher grade.

(c) *Limitations on appointments.* Appointments will be limited to those necessary to:

(1) Fill existing vacancies in the Ready Reserve troop program units, when there are no qualified officers of appropriate or lower grade available to fill such vacancies.

(2) Fill mobilization designation position vacancies within authorized ceilings

when the individual has been approved by the T/D proponent agency for designation to fill such position.

(3) Meet the need for Ready Reserve reinforcements under quotas announced by the Department of the Army.

(4) Meet the need for officers for active duty, when qualified Reserve officers are not available.

(d) *Eligibility.* Applicants must meet the following requirements in addition to those shown in §§ 561.2 to 561.10.

(1) *Age.* (i) Applicants must not have reached the age shown below prior to appointment in grade indicated, except that age limits may be increased for former officers of any component of the Army and the Army of the United States without component, by an amount not to exceed length of previous service in the grade in which appointment is authorized, except that the age 45 will not be exceeded for the Army Nurse Corps and the Women's Medical Specialist Corps branches. Previous service means any period an officer has served on active duty in the Army or held an appointment in the federally recognized National Guard or retained active status as a Reserve of the Army.

Grade	Age		
	WMSC	ANC	Other
Second lieutenant	28	28	28
First lieutenant	33	33	33
Captain	39	39	39
Major	45	45	48
Lieutenant colonel		45	51
Colonel			55

(ii) The authority tendering appointments may consider on an individual basis, when applicants are applying for concurrent active duty, requests for waiver of the maximum age limits in exceptional cases, up to the ages indicated for grades and branches as shown below:

Grade	Age		
	WMSC	ANC	Other
Second lieutenant	33	33	33
First lieutenant	38	38	38
Captain	43	43	43
Major			50
Lieutenant colonel			53

(2) *Education and experience.* (i) Except as noted in paragraph (b) (1) of this section when qualifying for appointment based on prior service, applicants must meet the educational and professional requirements prescribed for the particular specialty as shown under paragraphs (g) to (l) of this section.

(ii) Qualifying education means at least a bachelor's degree awarded by an accredited college or university, and involving the specific degree or subject matter listed for each specialty. Qualifying educational training for these specialties will be uniformly credited as follows:

Qualifying education	Credit toward grade
Bachelor's degree	Total of 4 years.
Certification as a registered nurse	
Certification as a physical therapist (when the special training course is not in addition to 4 years of college and the awarding of the baccalaureate degree).	
Certification as dietitian	Total of 5 years.
Certification as occupational therapist [1]	
Certification as physical therapist [1]	
Master's degree (other than in the field of social work)	
Master's degree in social work	Total of 6 years.
Degree, doctor of veterinary medicine	
Degree, doctor of medicine	Total of 7 years.
Degree, doctor of dental surgery and/or medicine	
Degree, doctor of philosophy	

NOTE: At the discretion of the Examining Board and the area commander, each year of approximately 30 semester credit hours of qualifying graduate study satisfactorily performed (either leading to an advanced degree or study beyond the doctorate) may be counted as a year of the total requirements.

[1] Where the special training course is in addition to the 4 years of college and the awarding of the baccalaureate degree.

(e) *Vacancies and quotas.* Applicants may secure information from unit commanders or chiefs of military districts. Information relative to quotas for active duty may be secured from the appropriate area commander.

(f) *Applications.* (1) See § 561.13. The following additional documents and information will be submitted:

(i) Documentary evidence of educational level and professional or technical background (photostatic or true copies are acceptable).

(ii) Applicants for appointment for assignment to the Medical Service Corps branch will furnish transcript of grades received in undergraduate and graduate schools or universities. In addition, such applicants will add to DD Form 398 (Statement of Personnel History) the following additional information pertaining to each position listed under item 12 therein:

(*a*) Kind of business.

(*b*) Salary or earnings (starting, final, or present).

(*c*) Description of work performed.

(*d*) Number and kind of employees supervised, if any.

(iii) (*a*) Applicants for appointment for assignment to the Army Nurse Corps will furnish transcripts of grades received in school of nursing, undergraduate, and/or graduate schools or universities. In the case of postgraduate clinical courses a certified statement attesting to satisfactory completion will be required from the hospital or agency concerned. Documentary evidence of current nursing registration in any State of the United States, District of Columbia, Territory of the United States is required.

(*b*) Applicants for appointment for assignment to the Women's Medical Specialist Corps branch will furnish transcription of grades received in undergraduate and graduate schools or universities, together with certification of completion of a dietetic internship, a physical therapy training course, or occupational therapy training course, whichever is applicable.

(iv) DA AGO Form 8–130 (Supplemental Data for Medical Department Officers) in duplicate.

(2) Former officers of the Army who are qualifying for appointment based on prior service in the grade, corps, and specialty (paragraph (b) (1) of this section) are exempt from the requirements of subdivisions (i), (ii), and (iii) of this subparagraph, except that former Medical Service Corps officers will comply with subparagraph (1) (i) and (iii) (*a*) of this paragraph so far as they apply to additional preparation and postgraduate clinical courses pursued since graduation from the basic nursing program.

(g) *Medical Corps.* Applicants for appointment and assignment to the Medical Corps branch must meet the following requirements:

(1) Be currently licensed to practice medicine in a State, Territory, or the District of Columbia, or possess a diploma from the National Board of Medical Examiners. Be currently engaged in the ethical practice of medicine. Waiver of license and actual engagement in practice may be granted for:

(i) Graduates of approved medical schools.

(ii) Individuals who have successfully completed the prescribed course of medical instruction at medical schools which are acceptable to the Department of the Army.

(2) Possess the degree of Doctor of Medicine from a medical school acceptable to the Department of the Army. However, certified evidence of the successful completion of the prescribed course of 4 years medical instruction at a medical school acceptable to the Department of the Army and which requires a hospital internship for the degree of Doctor of Medicine may be accepted in lieu of a degree. Applications from physicians who are graduates of domestic or foreign schools not acceptable to the Department of the Army, if otherwise qualified, will be forwarded direct to The Surgeon General, Department of the Army, Washington 25, D. C., ATTN: MEDCM–B, for final determination relative to professional acceptability.

(3) Appointment will be in grade determined by the applicant's age (paragraph (d) of this section) and active professional experience subsequent to

graduation from medical school as follows:

Grades authorized for appointment:	*Minimum professional experience (years)*
First lieutenant	None
Captain	4
Major	11
Lieutenant colonel	18
Colonel [1]	25

[1] Persons appointed in the grade of colonel must have achieved unequivocal prominence as authorities in their particular specialty, and ordinarily must have been certified by one of the American specialty boards in the specialty for which that board is constituted.

(h) *Dental Corps.* Applicants qualifying for appointment and assignment to the Dental Corps branch must meet the following requirements:

(1) Be a graduate of a dental school acceptable to the Department of the Army.

(2) Be currently licensed to practice dentistry in a State, Territory, or the District of Columbia, and currently engaged in the ethical practice of dentistry. Waiver of license and actual engagement in practice may be made for graduates of dental schools acceptable to the Department of the Army, if application is made within 1 year after graduation or while undergoing appropriate postgraduate instruction.

(3) Appointment will be in grades determined by the applicant's age (paragraph (d) of this section) and active professional experience subsequent to graduation from dental school as follows:

Grades authorized for appointment:	*Minimum professional experience (years)*
First lieutenant	None
Captain	4
Major	11
Lieutenant colonel	18
Colonel [1]	25

[1] Persons appointed in this grade must give evidence of outstanding background and ability in their specialty. Applicants for appointment in this grade ordinarily must have been certified by a dental specialty board in the specialty for which such a board is constituted.

(i) *Veterinary Corps.* Applicants qualifying for appointment and assignment to the Veterinary Corps branch must meet the following requirements:

(1) Graduation from a veterinary college acceptable to the Department of the Army. Doctors of veterinary medicine or surgery will submit documentary evidence, such as diploma received or consolidated transcript of credit hours from graduate or professional schools.

(2) Be currently licensed to practice veterinary medicine in a State, Territory, or in the District of Columbia, and currently engaged in the ethical practice of veterinary medicine. Waiver of license and actual engagement in practice may be made for graduates of schools of veterinary medicine acceptable to the Department of the Army if:

(i) Commissioned at time of graduation, or

(ii) Engaged in fields of veterinary professional endeavor, other than actual practice, not requiring licensure.

(3) Appointment will be in grades determined by the applicant's age (paragraph (d) of this section) and active professional experience subsequent to graduation from a veterinary college, as follows:

Grades authorized for appointment:	*Minimum professional experience (years)*
Second lieutenant	None
First lieutenant	1
Captain	5
Major	12
Lieutenant colonel	19
Colonel [1]	26

[1] Persons appointed in this grade must give evidence of outstanding background and ability in their specialty. Examples are outstanding contributors of scientific research, outstanding administrators, and outstanding contributors to the development of the specialty under consideration.

(j) *Medical Service Corps*—(1) *General.* Applicants for appointment and assignment to the Medical Service Corps branch under subparagraph (2) of this paragraph must have the qualifying college education indicated under each specialty. In addition such applicants must have acquired appropriate progressive qualifying experience as shown in this subparagraph. Qualifying experience includes both military and civilian work, with a workweek of at least 39 hours or its equivalent in part-time employment. This work must have been in any one or any allowable combination of the activities and the area of experience defined herein for each specialty. Appointments in grade of major and above will not be made except in cases of highly qualified individuals of recognized ability.

Grade:	*Minimum qualifying college education and/or experience (years)*
Second lieutenant	4
First lieutenant	7
Captain	11
Major	18
Lieutenant colonel	25
Colonel	32

(2) *Specialists*—(i) *Medical entomology.* (*a*) Appointments in the grades of second lieutenant through colonel are authorized.

(*b*) Applicants must possess a bachelor's degree with a major in the field of entomology, including at least one course in medical entomology. The school or university must be acceptable to the Department of the Army.

(*c*) Applicants must have had the appropriate progressive experience to meet the requirements for the respective grades specified in subparagraph (1) of this paragraph.

(ii) *Medical laboratory specialists.* (*a*) Appointment in the grades of second lieutenant through colonel are authorized.

(*b*) Applicants must meet either of the following requirements:

(*1*) Possess a master's degree from a school or university acceptable to the Department of the Army in one of the specialties listed in (*d*) of this subdivision.

(*2*) Possess a bachelor's degree from a school or university acceptable to the Department of the Army in one of the specialties listed in (*d*) of this subdivision and, in addition, must have been certified as a qualified medical technologist by an organization acceptable to the Department of the Army.

(*c*) Applicants must have the appropriate progressive experience to meet the requirements for the respective grades specified in subparagraph (1) of this paragraph.

(*d*) Specialties are:

Bacteriology.
Biochemistry.
Medical parisitology.
Medical technology.
Serology.
Toxicology.

(iii) *Nutrition.* (*a*) Appointments in the grades of second lieutenant through colonel are authorized.

(*b*) Applicants must possess a master's degree, or its equivalent, in the field of nutrition, nutritional biochemistry, or nutritional physiology from a school or university acceptable to the Department of the Army.

(*c*) Applicants must have had the appropriate progressive experience to meet the requirements for the respective grades as specified in subparagraph (1) of this paragraph.

(iv) *Optometry.* (*a*) Appointments in the grades of second lieutenant through colonel are authorized.

(*b*) Applicant must be a graduate of a school of optometry giving a full 4-year course acceptable to the Department of the Army.

(*c*) Applicants must have had appropriate progressive experience specified in subparagraph (1) of this paragraph to meet the criteria for the respective grades.

(v) *Pharmacy, administration and supply.* (*a*) Appointments in the grades of second lieutenant through colonel are authorized.

(*b*) Applicants must possess a bachelor's degree, with a major in one of the specialties outlined in (*d*) of this subdivision from a school or university acceptable to the Department of the Army. In addition, legal specialists who will be appointed in the grade of first lieutenant only for authorized vacancies, must have graduated from an approved law school with a professional degree, must have been admitted to practice, and must have membership in good standing of the bar of the highest court of a State, Territory, the District of Columbia, or a Territorial possession of the United States.

(*c*) Applicants must have had the appropriate experience as required by subparagraph (1) of this paragraph.

(*d*) Specialities are:

Business administration.
Hospital administration.
Personnel administration.
Pharmacy.
Accounting.
Legal.
Education.
Management engineering.
Statistics.
Chemistry and biology.

(vi) *Physical reconditioning specialists.* (*a*) Appointment in the grades of second lieutenant through colonel are authorized.

(*b*) Applicants must be graduates of a college or university acceptable to the Department of the Army, with a major study in physical education. Subjects that must be included in this course of study are anatomy, physiology, psychology, personal hygiene, and kinesiology.

(*c*) Applicants must have had appropriate progressive experience as specified in subparagraph (1) of this paragraph to meet the criteria for the grades specified.

(vii) *Psychology.* (*a*) Appointments in the grades of first lieutenant through colonel are authorized.

(*b*) Applicants must possess a doctor's degree in psychology from a college or university acceptable to the Department of the Army.

(*c*) Applicants must have the experience to meet the criteria for the respective grades as specified in subparagraph (1) of this paragraph.

(viii) *Sanitary engineering.* (*a*) Appointment in grades of second lieutenant through colonel are authorized.

(*b*) Applicants must possess a bachelor's degree in sanitary, civil, or chemical engineering from a school or university acceptable to the Department of the Army.

(*c*) Applicants must have had appropriate experience to meet the criteria for the respective grades as specified in subparagraph (1) of this paragraph.

(ix) *Social worker.* (*a*) Appointments in the grades of second lieutenant through colonel are authorized.

(*b*) Applicants must possess a master's degree in social work from a school or university acceptable to the Department of the Army.

(*c*) Applicants must have had the experience to meet the criteria for the respective grades as specified in subparagraph (1) of this paragraph.

(k) *Army Nurse Corps.* (1) Applicants qualifying for appointment and assignment to the Army Nurse Corps branch must meet the following requirements:

(i) Be a graduate of a school of nursing acceptable to the Department of the Army and possess documentary evidence which shows that they meet educational requirements for grade determination.

(ii) Be currently registered to practice nursing in a State, Territory, or the District of Columbia.

(2) Appointment will be in grades determined by the applicant's age, education, and active professsional experience subsequent to graduation from a school of nursing acceptable to the Department of the Army as indicated below. Graduate study beyond the master's level may be substituted for professional nursing experience on a year-for-year basis of full-time study.

Grade authorized for appointment	Minimum experience and type	Minimum education and content
Second lieutenant	No years	Graduate from basic program.
First lieutenant	3 years active professional experience. Noncollege credit postgraduate clinical courses pursued in a hospital will be considered professional experience.	*an* At least 15 semester hours in the physical, biological and social sciences, communications, humanities, or nursing earned in an accredited college or university. Such credits must be exclusive of those earned in the basic nursing program. Post-graduate clinical courses for which college credits have been granted may be honored toward the 15-semester credit requirement. Clinical courses credited toward the educational factor will not be credited toward experience.
	Or, 3 years active professional experience. Anesthesia practice or a course in this field must have been within the period 24 months prior to appointment.	*and* Documentary evidence of current certification by the American Association of Nurse Anesthetists.
Captain	7 years of active professional experience of which at least 2 years must have been in a teaching, supervisory or administrative capacity.	*and* Bachelor's degree from an accredited college or university with a major field of study in nursing, nursing education, nursing administration, public health nursing, or one of the allied medical sciences.
	Or, 6 years of active professional experience of which at least 2 years must have been in a teaching, supervisory or administrative capacity.	*and* A master's degree from an accredited college or university with a major field of study in nursing, nursing education, supervision and teaching, nursing administration, hospital administration, personnel administration counseling and guidance, or public health nursing.
	Or, 7 years of active professional experience. Anesthesia practice or a course in this field must have been within the period of 24 months prior to appointment.	*and* Documentary evidence of current certification by the American Association of Nurse Anesthetists.
Major	13 years of professional nursing experience of which at least 5 years must have been in a teaching and/or administrative capacity. The individuals must have achieved unequivocal prominence so as to render them authorities in their fields as evidenced by professional rank or contributions to the advancement of research and the further development of nursing education and nursing service.	*and* Master's degree in a nursing specialty or allied field.
Lieutenant colonel	20 years of professional nursing experience and demonstrated prominence as outlined for appointment as major.	*and* Master's degree in a nursing specialty or allied field.

(l) *Women's Medical Specialist Corps.* Applicants for appointment and assignment to the Women's Medical Specialist Corps branch must have the education and experience as shown under each specialty.

(1) *Dietetic specialists.* (i) Appointments in the grade of second lieutenant through captain are authorized.

(ii) Applicant must possess a bachelor's degree with a major in either foods and nutrition or in institution management from a college or university and have completed a dietetic internship both of which are acceptable to the Department of the Army. (An applicant who has completed college education as stated herein and who desires to complete the dietetic internship conducted by the Department of the Army may be granted a Reserve commission for that purpose.)

(iii) Applicants for grades above second lieutenant must meet the following experience requirement:

(*a*) For appointment in the grade of first lieutenant, not less than 2 years of professional experience as a dietitian with at least 1 year in a hospital of 100 beds or more.

(*b*) For appointment in the grade of captain, not less than 6 years of professional experience as a dietitian, 3 years of which must have included a major responsibility in the administration of a dietary department in a hospital acceptable by the Department of the Army.

(2) *Physical therapy specialists.* Appointments in the grades of second lieutenant through captain are authorized.

(i) For appointment in the grade of second lieutenant an applicant must have completed not less than 3 years (90 semester hours) in a college or university and a course in physical therapy, both of which are acceptable to the Department of the Army. An applicant who possesses a bachelor's degree, including satisfactory courses in biological and physical sciences and psychology, from a college or university acceptable to the Department of the Army, and who desires to complete the physical therapy course conducted by the Department of the Army may be granted a Reserve commission for that purpose. An applicant who is a student matriculated in a university or school acceptable to the Department of the Army, who has completed the didactic portion of a physical therapy training course, and who desires to accomplish the required clinical practice leading to a degree or a certificate in physical therapy in an Army hospital may be granted a Reserve commission for that purpose.

(ii) For appointment in the grade of first lieutenant an applicant must meet the educational requirements for the grade of second lieutenant for this specialty. Applicants who do not possess a bachelor's degree in addition to completion of the 1 year physical therapy training course must have had not less than 3 years of professional experience as a physical therapist in medical institutions acceptable to the Department of the Army. Otherwise, 2 years of pro-

fessional experience as a physical therapist will be excepted.

(iii) For appointment in the grade of captain an applicant must possess a bachelor's degree from a college or university and have completed a physical therapy course, both of which are acceptable to the Department of the Army and, in addition must have had not less than 6 years of professional experience as a physical therapist in medical institutions acceptable to the Department of the Army, 3 years of which must have been in a supervisory capacity. An applicant possessing a bachelor's degree with a major in physical therapy from a college or university acceptable to the Department of the Army, must have completed a minimum of 7 years of professional experience as a physical therapist, 3 years of which must have been in a supervisory capacity.

(3) *Occupational therapy specialists.* Appointments in the grades of second lieutenant through captain are authorized.

(i) For appointment in the grade of second lieutenant an applicant must have completed not less than 2 years (60 semester hours) in college or university and a training course in occupational therapy, both of which are acceptable to the Department of the Army. An applicant who possesses a bachelor's degree from a college or university acceptable to the Department of the Army with undergraduate or subsequent training to include a minimum of 15 semester hours of psychology, science and/or sociology, and who desires to complete the occupational therapy course conducted by the Department of the Army, may be granted a Reserve commission for this purpose. Individuals granted commissions for such training will be limited to those who express in writing a desire for appointment in the Regular Army. An applicant who possesses a bachelor's degree from a college or university, and is enrolled in a course in occupational therapy, both acceptable to the Department of the Army, or who has completed 4 years (120 semester hours) leading to a degree including the didactic portion of a course in occupational therapy, in an acceptable college or university, and who desires to complete the required clinical portion of that course in an Army hospital, may be granted a Reserve commission for that purpose.

(ii) For appointment in the grade of first lieutenant an applicant must meet the educational requirements for appointment as a second lieutenant for this specialty and, in addition, must have had not less than 2 years of professional experience as an occupational therapist in medical institutions acceptable to the Department of the Army.

(iii) For appointment in the grade of captain an applicant must meet the educational requirements for appointment as a second lieutenant for this specialty and, in addition, must have had not less than 6 years of professional experience as an occupational therapist in medical institutions acceptable to the Department of the Army, 3 years of which must have been in a supervisory capacity.

[SR. 140-105-6, Jan. 28, 1953] (R. S. 161; 5 U. S. C. 22. Interprets or applies Pub. Law 476, 82d Cong.)

[SEAL] WM. E. BERGIN,
Major General U. S. Army,
The Adjutant General.

[F. R. Doc. 53-1722; Filed, Feb. 20, 1953; 8:45 a. m.]

Chapter XVII—Federal Civil Defense Administration

PART 1701—CONTRIBUTIONS FOR CIVIL DEFENSE EQUIPMENT

AMOUNT OF FEDERAL CONTRIBUTION; FEDERAL AND STATE PROCUREMENT

1. Section 1701.5 is amended to read as follows:

§ 1701.5 *Amount of Federal contribution.* Federal contributions for civil defense equipment may not exceed fifty percent of the total cost for such equipment: *Provided, however,* That such percentage may be varied for the Territory of Alaska.

2. Sections 1701.10 and 1701.11 are added to read as follows:

§ 1701.10 *Federal procurement.* The FCDA will normally procure civil defense equipment which has been recommended for Federal procurement in FCDA Manual M25-1, "Federal Contributions". If, however, FCDA authorization is given for the procurement of such equipment by the State (or political subdivision, if applicable), then the Federal contribution shall not exceed fifty percent of the estimated purchase price obtainable by FCDA at the time the application is approved.

§ 1701.11 *State procurement.* (a) The State will normally procure all civil defense equipment not recommended for Federal procurement. A project application involving State procurement may include the costs of transportation, installation, and non-Federal taxes (other than those imposed by the State government, or the political subdivision submitting the application). It may include Federal taxes only if an exemption therefrom cannot be obtained by the State or political subdivision. It may not include procurement or maintenance charges.

(b) Civil defense equipment specifications developed by the State, or political subdivision, shall comply with FCDA standards as established by FCDA specifications for such equipment. Where the State or political subdivision incorporates in its specifications details of design or construction, or equivalent requirements, which are based on a specific manufacturer's product, thereby restricting the specifications to that product and requiring design or construction changes by other manufacturers in order to meet the restrictions, such specifications shall be transmitted to FCDA, with a statement justifying the need for the restrictive requirement, for prior approval by FCDA before procurement may be undertaken.

(c) Procurement of civil defense equipment by the State (or political subdivision, if applicable) shall be in accordance with its statutes, regulations, and ordinances covering purchasing: *Provided,* That, in the absence of State or municipal statutes, regulations, or ordinances requiring that procurement of civil defense equipment be subject to bid procedure, all contracts for procurement of civil defense equipment which exceed $1,000 must be offered by public advertisement and awarded to the lowest responsible bidder unless the FCDA authorizes or prescribes otherwise.

This amendment shall be effective March 1, 1953.

J. J. WADSWORTH,
Acting Administrator,
Federal Civil Defense Administration.

FEBRUARY 19, 1953.

[F. R. Doc. 53-1793; Filed, Feb. 20, 1953; 9:51 a. m.]

TITLE 32A—NATIONAL DEFENSE, APPENDIX

Chapter III—Office of Price Stabilization, Economic Stabilization Agency

[Ceiling Price Regulation 1, Amdt. 7 to Revision 1]

CPR 1—NEW PASSENGER AUTOMOBILES

PRICING NEW PRODUCTS; TOOLING COSTS

Pursuant to the Defense Production Act of 1950, as amended, Executive Order 10161 (15 F. R. 6105), and Economic Stabilization Agency General Order No. 2 (16 F. R. 738), this amendment to Ceiling Price Regulation 1, Revision 1, is hereby issued.

STATEMENT OF CONSIDERATIONS

Section 10 of Ceiling Price Regulation 1, Revision 1, provides the procedure for establishing ceiling prices for new automobiles and new items of extra, special or optional equipment. In general, the ceiling price of the new product is determined by applying to costs of producing the new product, the profit markup currently realized on the sale of a similar product. A manufacturer is required to submit a report of his current costs of producing both the new product and the comparison product. In the case of items of extra, special or optional equipment, OPS Public Form 149 is provided for this purpose. In reporting their costs, manufacturers have failed to include as a current cost for producing the comparison product, original unit tooling cost, where their tooling costs have been partially or completely amortized at the time of application. As a result, an important element in establishing the ceiling price of the comparison product is omitted and a higher profit markup is indicated. Applying this higher profit markup to the new product artificially enhances its ceiling price. Successive pricing of new products which are based on these markups, may result in substantial distortions of the ceiling prices of the new products.

Accordingly, this amendment to section 10 of Ceiling Price Regulation 1, Revision 1, specifically requires a manufacturer applying for the establishment of a ceiling price for a new automobile, to show his original unit tooling cost and to include such cost in determining his profit markup for the comparison automobile. Similarly, in the case of new items of extra, special or optional equipment, a manufacturer will state on OPS Form 149, his original unit tooling cost of the comparison product.

In the formulation of this amendment there has been consultation with industry representatives, to the extent practicable, and consideration has been given to their recommendations.

AMENDATORY PROVISIONS

Ceiling Price Regulation 1, Revision 1, is amended in the following respects:

1. Subparagraph 3 of section 10 (a) is amended to read as follows:

(3) A description of the automobile which you manufacture and consider most similar to the new automobile and for which you have a ceiling price, a detailed statement of your total unit costs as of the date of your application pursuant to this section, including your direct materials and labor costs, factory overhead, selling, and general and administrative expenses (if any of these costs are estimated this must be indicated, with the basis for arriving at your estimate), your original tooling cost of the comparison item, and the ceiling price to each class of purchaser as of the time the application is submitted, for the similar automobile.

2. Section 10 (b) is amended to read as follows:

(b) *New extra, special or optional equipment.* If you produce any item of extra, special or optional equipment not produced or sold by you on the date of the issuance of this regulation, you must file your proposed ceiling price on OPS Form 149 in duplicate. In completing that form you must show in section 4, in the 4th line designated by "tool amortization (c)" under the column for comparison item, your original unit tooling cost. These forms must be sent by registered mail to the Industrial Materials and Manufactured Goods Division, Office of Price Stabilization, Washington 25, D. C. Fifteen days after receipt of these forms by that Office, you may sell at your proposed ceiling price unless you have been notified that your proposed ceiling price has been disapproved.

(Sec. 704, 64 Stat. 816, as amended; 50 U. S. C. App. Sup. 2145)

NOTE: The record keeping and reporting requirements of this regulation have been approved by the Bureau of the Budget in accordance with the Federal Reports Act of 1942.

Effective date. This amendment shall become effective February 19, 1953.

JOSEPH H. FREEHILL,
Director of Price Stabilization.

FEBRUARY 19, 1953.

[F. R. Doc. 53-1786; Filed, Feb. 19, 1953; 4:43 p. m.]

[General Ceiling Price Regulation, Supplementary Regulation 133]

GCPR, SR 133—CEILING PRICE OF BERYLLIUM COPPER MASTER ALLOY

CORRECTION

SR 133 to the General Ceiling Price Regulation issued February 13, 1953 contains an inadvertent error in section 2.

The figure "37.72 cents" contained in section 2 is corrected to read "37.72 dollars".

JOSEPH H. FREEHILL,
Director of Price Stabilization.

FEBRUARY 19, 1953.

[F. R. Doc. 53-1787; Filed, Feb. 19, 1953; 4:43 p. m.]

[General Overriding Regulation 23, Amdt. 6]

GOR 23—TERRITORIAL EXEMPTIONS

EXEMPTIONS IN ALASKA, HAWAII, THE VIRGIN ISLANDS, AND THE COMMONWEALTH OF PUERTO RICO

Pursuant to the Defense Production Act of 1950, as amended, Executive Order 10161, and Economic Stabilization Agency General Order No. 2, this Amendment 6 to General Overriding Regulation 23 is hereby issued.

STATEMENT OF CONSIDERATIONS

The President of the United States has announced that he does not intend to ask for a renewal of price control authority on April 30, 1953, when the present legislation expires. He has stated that in the meantime steps will be taken to eliminate controls in an orderly manner. The Office of Price Stabilization has been instructed to proceed accordingly.

This amendment to General Overriding Regulation 23 is one of the actions by which OPS is carrying out that instruction.

GOR 23 was issued to provide a single listing of exemptions and suspensions of price control in the territories and possessions of the United States. Insofar as exemptions, pursuant to the orderly elimination of controls, affect only the territories and possessions of the United States, they will appear as amendments to this General Overriding Regulation.

This amendment exempts from price control, the following:

(1) All sales of meals, food items, and beverages, by restaurants, and eating and drinking establishments, in Alaska, Hawaii, the Virgin Islands, but not in the Commonwealth of Puerto Rico.

(2) All sales in Alaska, Hawaii, the Virgin Islands, and the Commonwealth of Puerto Rico of pulp, paper, paperboard, and allied commodities and services.

(3) All sales in Alaska, Hawaii, the Virgin Islands, and the Commonwealth of Puerto Rico, of fats and oils, including shortening, lard, salad oils and dressings, mayonnaise, and margarine.

Section 2.2 contains a list of regulations applicable only in Alaska, Hawaii, the Virgin Islands, and the Commonwealth of Puerto Rico, or in one of these areas, which have been revoked. Although, in some instances, some or all of the commodities or services covered by the regulations may have already been exempted from price control, this list will be brought up to date from time to time to provide a convenient listing of territorial regulations which have been revoked and, at least as to certain territories, are no longer applicable.

In view of the special nature and basis of this amendment, consultations with industry representatives were impracticable and unnecessary.

AMENDATORY PROVISIONS

General Overriding Regulation 23 is amended in the following respects:

1. Delete Article II and substitute the following new Article II therefor:

ARTICLE II—REVOCATIONS OF REGULATIONS

SEC. 2.1 *What this article does.* This article revokes all regulations indicated, and all amendments thereto or revisions thereof hitherto issued by the Office of Price Stabilization, and exempts from price control the sales formerly covered by the revoked regulations.

SEC. 2.2 *Revocations.* The regulations listed in this section and all amendments thereto, revisions thereof, and orders thereunder, hitherto issued by the Office of Price Stabilization, are revoked, except as indicated. This revocation exempts the sales formerly covered by the following regulations from price control:

(a) Ceiling Price Regulations:

(1) Ceiling Price Regulation 120, except in the Commonwealth of Puerto Rico.

(2) Ceiling Price Regulation 44.

(3) Ceiling Price Regulation 143.

(4) Ceiling Price Regulation 128.

(5) Territorial Supplementary Regulation 2 to Ceiling Price Regulation 34.

(6) Ceiling Price Regulation 50.

(7) Ceiling Price Regulation 154.

SEC. 2.3 *Records.* If you were required by any regulation to which this Article of this General Overriding Regulation applies, to preserve any records, you shall continue to preserve, and make available for examination by the OPS or any other authorized agency of the United States, in the manner and for the period set forth in that regulation, all such records which you were required, by the regulation, to have immediately prior to the date that regulation was revoked.

2. Delete Article III and substitute the following new Article III therefor:

ARTICLE III—EXEMPTIONS

SEC. 3.1 *What this article does.* This article exempts the sale, in Alaska, Hawaii, the Virgin Islands, and the Commonwealth of Puerto Rico, of the commodities indicated in this article, from price control, and exempts the rates, fees, and charges for the supply of the services indicated from price control.

SEC. 3.2 *Exemption of commodities.* Sales of the commodities listed in this section, in Alaska, Hawaii, the Virgin Islands, and the Commonwealth of Puerto Rico, are hereby exempted from price control:

(a) Fresh fruits and vegetables.

(b) Fats and oils, including shortening, lard, salad oils and dressings, margarine.

(c) All pulp, paper, paperboard, and allied commodities and services.

SEC. 3.3 *Exemption of services.* The rates, fees, and charges for the supply of the services listed below, in Alaska, Hawaii, the Virgin Islands, and the Commonwealth of Puerto Rico, are hereby exempted from price control:

SEC. 3.4 *Records.* If you were required by any regulation covering a commodity or service exempted in this article, to preserve any records, you shall continue to preserve, and make available for examination by the OPS or any other authorized agency of the United States, in the manner and for the period set forth in that regulation, such records as you were required to have as to that commodity or service immediately prior to the date the commodity or service was exempted.

(Sec. 704, 64 Stat. 816, as amended; 50 U. S. C. App. Sup., 2154)

Effective date. This Amendment 6 to General Overriding Regulation 23 is effective February 19, 1953.

JOSEPH H. FREEHILL,
Director of Price Stabilization.

FEBRUARY 19, 1953.

[F. R. Doc. 53-1788; Filed, Feb. 19, 1953; 4:43 p. m.]

TITLE 39—POSTAL SERVICE

Chapter I—Post Office Department

PART 35—PROVISIONS APPLICABLE TO THE SEVERAL CLASSES OF MAIL MATTER

NONMAILABLE ARTICLES AND COMPOSITIONS; BEES

a. In § 35.13 *Nonmailable articles and compositions* make the following changes in the list of items under subdivision (i) of paragraph (c) (3):

1. Strike out "Ethylene thiourea."

2. Strike out "Hydrogen peroxide (above 3½ percent)." and insert in lieu thereof "Hydrogen peroxide (above 6 percent)."

3. Strike out "Lysol" and insert in lieu thereof "Lysol (Old formula with Poison label)."

b. In § 35.22 *Bees* amend paragraph (b) by inserting the following two sentences immediately preceding the last sentence: "The cages shall be of sufficient strength and proper construction to permit stacking. The handles on top of the cages shall be compensated for by wood strips or the equivalent thereof when necessary to prevent the cages from toppling over when stacked."

(R. S. 161, 396; secs. 304, 309, 42 Stat. 24, 25, 62 Stat. 781 as amended; 5 U. S. C. 22, 369, 18 U. S. C. 1716)

[SEAL] ROY C. FRANK,
Solicitor.

[F. R. Doc. 53-1738; Filed, Feb. 20, 1953; 8:49 a. m.]

PART 127—INTERNATIONAL POSTAL SERVICE: POSTAGE RATES, SERVICE AVAILABLE, AND INSTRUCTIONS FOR MAILING

MISCELLANEOUS AMENDMENTS

a. In § 127.251 *Finland* amend paragraph (b) (3-a) to read as follows:

(3-a) *Observations.* (i) The Finnish customs authorities permit the duty-free entry of gift parcels, regardless of weight and value, containing only used clothing, used table linen or used bed linen in quantities not exceeding the normal needs of the addressee and his family.

(ii) Gift parcels or groups of such parcels containing only the articles listed in this subdivision are admitted duty free, provided no parcel or group exceeds 22 pounds in weight or 5,000 Finnish marks in value:

(*a*) Foodstuffs other than coffee, cocoa, tea, or candy.

(*b*) Coffee, cocoa and candy up to 2 pounds 3 ounces each, and tea up to 8¼ ounces.

(*c*) Tobacco up to 3½ ounces (100 cigarettes, 30 cigarillos or 25 cigars).

(*d*) Small quantities of clothing (new as well as used), soap, leather goods, razor blades and similar articles of small value, not to be sold or used in commerce or trade.

(iii) Articles exceeding the limits set forth in subdivision (ii) of this subparagraph will be charged with customs duty and possibly other charges in Finland.

b. In § 127.278a *Indonesia (Alor Islands, Amboina, Aru Islands, Babar, Bali, Banda, Banka, Batjan, Bawean, Bengkalis, Billiton, Bintan, Borneo (Kalimantan), Bura, Buton, Celebes (Sulawesi), Ceram, Flores, Ceser, Halmahaira, Java (Djawa) Kai Island, Kalimantan (Borneo), Kangean, Karimun, Kisar, Kundur, Laut, Lombok, Madura, Morotai, Muna, Roti, Salajar, Salibabu, Sambu, Sangir Island, Saparua, Sapudi, Siantan, Siau, Singkep, Sula Island, Sulawesi (Celebes), Sumatra, Sumba, Sumbawa, Tanimbar Island, Tarakan, Tebingtinggi, Ternate, Timor (formerly Netherlands Timor) and Weh)* make the following changes:

1. Amend paragraph (b) (1) by inserting the following between the table of surface parcel rates and the tabulated information thereunder in subdivision (i):

(ii) Air parcel rates: $1.75 for first 4 ounces, and $1.00 for each additional 4 ounces or fraction.

2. Add the following to tabulated information now under subdivision (ii) of paragraph (b) (1):

Each air parcel must have affixed the blue Par Avion label (Form 2978). (See § 127.20.)
Air parcel post restricted to 11 pounds.

3. Amend subdivision (ii) of subparagraph (7) of paragraph (a) (17 F. R. 8294) to read as follows:

(ii) Gift shipments excluding 300 rupiahs (about $25) in value.

4. Amend subdivisions (i) and (iii) of paragraph (b) (5) (17 F. R. 6595) to read as follows:

(i) Service is restricted to gift parcels. Before parcels are accepted for mailing, the senders shall be required to mark their parcels to show they are gifts.

* * * * *

(iii) Addressees in Indonesia are required to obtain import licenses for all gift parcels exceeding 300 rupiahs (about $25) in value, and for those which contain any articles which may be considered by the Indonesian authorities as luxury items.

c. In § 127.341 *Rumania,* make the following changes:

1. Amend subdivision (i), of paragraph (b) (5) to read as follows:

(i) *Restrictions.* (*a*) No gift parcel may exceed 4 pounds 6 ounces in gross weight, and only one such parcel may be received by one addressee per month.

(*b*) Each parcel must be mailed by an individual, as the Rumanian authorities will not admit gift parcels mailed by or on behalf of commercial firms or organizations of any kind.

(*c*) Each parcel must contain a detailed list of its contents, in addition to the postal customs declaration.

The contents of gift parcels, which must be for the addressee's personal use, are limited to the items and the quantities of each shown in the following lists:

I. CLOTHING, ETC.

Scarfs, towels, neckties, waterproof garments, blouses, dresses, suits, overcoats, hats, sweaters.	1 of each.
Undergarments, handkerchiefs	2 of each.
Gloves, stockings, footwear	1 pair of each.
Sewing thread	100 grams (3½ ounces).
Woolen yarn	450 grams (15¾ ounces).
Cotton, linen or hempen cloth	3 meters (9 feet 9 inches).
Woolen cloth	3 meters (9 feet 9 inches).
Cloth of natural or artificial silk, nylon, etc	3 meters (9 feet 9 inches).

II. MISCELLANEOUS

Toilet water	250 grams (8¾ ounces).
Perfumes	50 grams (1¾ ounces).
Toilet articles, brushes, combs, cosmetics, etc	100 grams (3½ ounces).
Razors, scissors, hairclippers	1 article.
Watches, eyeglasses, eyeglass lenses, leather articles, musical instruments.	1 of each.
Fountain pens and mechanical pencils	1 article.
Medical and optical instruments, household appliances	2 articles.
Razor blades	10 blades.

(d) Articles sent in gift parcels are subject to customs duty in Rumania. A parcel may be returned to origin if the addressee fails to pay the duty, if the parcel does not comply with the above requirements, or if it contains articles of used clothing not accompanied by a certificate of disinfection.

2. Delete subdivision (vi) of paragraph (b) (5), and redesignate subdivisions (vii) and (viii) as (vi) and (vii) respectively.

3. Amend subdivision (i) of paragraph (b) (6) by the addition of the following sentence:

(e) See subparagraph (5) *Observations* of this paragraph for special restrictions on gift parcels.

(R. S. 161, 396, 398; secs. 304, 309, 42 Stat. 24, 25, 48 Stat. 943; 5 U. S. C. 22, 369, 372)

[SEAL] ROY C. FRANK, *Solicitor.*

[F. R. Doc. 53-1737; Filed, Feb. 20, 1953; 8:49 a. m.]

TITLE 49—TRANSPORTATION

Chapter I—Interstate Commerce Commission

Subchapter C—Carriers by Water

PART 301—REPORTS

ANNUAL REPORT FORM PRESCRIBED FOR MARITIME CARRIERS

At a session of the Interstate Commerce Commission, Division 1, held at its office in Washington, D. C., on the 13th day of February A. D. 1953.

The matter of Annual Reports from Carriers by Water being under consideration, and it appearing that the changes in existing regulations to be effectuated by this order are only minor changes with respect to the data to be furnished and that public rule-making procedures are unnecessary;

It is ordered, That the order dated February 6, 1952 (14 F. R. 596), in the matter of Annual Reports from Carriers by Water (49 CFR 301.20) be, and it is hereby modified with respect to annual reports for the year ended December 31, 1952, and subsequent years, as follows:

§ 301.20 *Annual report form prescribed for Maritime Carriers.* Each Maritime Carrier subject to the provisions of section 313, Part III of the Interstate Commerce Act, are hereby required to file annual reports for the year ended December 31, 1952, and for each succeeding year until further order, in accordance with Annual Report Form M, which is hereby approved and made a part of this section.[1] The annual report shall be filed, in duplicate, in the Bureau of Transport Economics and Statistics, Interstate Commerce Commission, Washington, D. C., on or before March 31 of the year following the one to which it relates.

(54 Stat. 944; 49 U. S. C. 913)

NOTE: Budget Bureau No. 41-R1414.1.

By the Commission, Division 1.

[SEAL] GEORGE W. LAIRD, *Acting Secretary.*

[F. R. Doc. 53-1726; Filed, Feb. 20, 1953; 8:47 a. m.]

PROPOSED RULE MAKING

DEPARTMENT OF AGRICULTURE

Production and Marketing Administration

[7 CFR Parts 906, 929]

[Docket Nos. AO 210-A4; AO 228-A2]

MILK IN TULSA AND MUSKOGEE, OKLAHOMA, MARKETING AREAS

PROPOSED AMENDMENTS TO TENTATIVE MARKETING AGREEMENTS AND TO ORDERS REGULATING HANDLING

Pursuant to the Agricultural Marketing Agreement Act of 1937, as amended (7 U. S. C. 601 et seq.), and the applicable rules of practice and procedure governing the formulation of marketing agreements and marketing orders (7 CFR Part 900), notice is hereby given of a joint public hearing to be held in the Junior Ball Room, Hotel Tulsa, Tulsa, Oklahoma, beginning at 10:00 a. m., c. s. t., March 10, 1953, for the purpose of receiving evidence with respect to proposed amendments hereinafter set forth, or appropriate modifications thereof, to the tentative marketing agreements heretofore approved by the Secretary of Agriculture and to the orders, as now in effect, regulating the handling of milk in the Tulsa, Oklahoma, and Muskogee, Oklahoma, marketing areas. These proposed amendments have not received the approval of the Secretary of Agriculture.

Amendments to the orders, as in effect, were proposed as enumerated below. Proposals Nos. 1, 2, and 3, to redesignate the Tulsa, Oklahoma, marketing area to include, in addition to territory now included, the Muskogee, Oklahoma, marketing area and additional territory and to terminate all provisions of Order No. 29 upon the adoption of such redesignation, raise the issue as to whether the present provisions of Order No. 6, regulating the handling of milk in the Tulsa, Oklahoma, marketing area, would tend to effectuate the declared policy of the act if applied to the marketing area, as proposed to be redesignated, and if not, what modifications of the classification, pricing (including all differentials) and payment provisions of the order, as amended, are appropriate to effectuate the declared policy of the act.

Proposed by Pure Milk Producers Association of Tulsa:

1. Amend the provisions of § 906.6 of the Tulsa Order to read as follows:

§ 906.6 *Tulsa, Oklahoma, marketing area.* "Tulsa, Oklahoma, marketing area", hereinafter called the marketing area, means all territory within the County of Tulsa; the City of Sapulpa; the township of Sapulpa in Creek County; that part of the Black Dog township in 20 North, Range 10, 11, and 12 East in Osage County, and all territory lying within the boundaries of the Cities of Muskogee, McAlester and Talequah, all within the State of Oklahoma.

2. Terminate all provisions of Order No. 29 regulating the handling of milk in the Muskogee, Oklahoma, marketing area upon adoption of the foregoing proposal.

Proposed by Beatrice Foods Company:

3. Delete § 906.6 and substitute therefor the following:

§ 906.6 *Tulsa, Oklahoma, marketing area.* "Tulsa, Oklahoma, marketing area" means all the territory within the boundaries of Tulsa, Creek, Mays and Rogers Counties, that part of Wagoner County along the north of State Highway No. 51, that part of Delaware County which is west of State Highway No. 10 including the towns of Jay and Grove, that part of Ottawa County which lies west and south of State Highway No. 10 and including the towns of Quapaw, Picher, Cardin, Commerce, and Miami, that part of Craig County that lies south of State Highway No. 10 and that part of Nowata County that lies south of State Highway No. 10 and the town of Lenapah, that part of Washington County that lies south of the town of Copan, that part of Osage County that lies south of State Highway No. 60 and east of State Highway No. 99 that part of Pawnee County that lies east and south of State Highway No. 99, and that part of Payne County, exclusive of the City of Stillwater, that lies east of State Highway No. 40, including all the towns located on or adjacent to these highways in these counties within these given limits, all in the State of Oklahoma.

By the Dairy Branch, Production and Marketing Administration:

4. Make such changes as may be required to make the orders in their entirety conform with any amendments thereto which may result from this hearing.

Copies of this notice of hearing, and the orders now in effect, may be procured from the Market Administrator, 2635 East Eleventh Street, Tulsa, Oklahoma, or the Hearing Clerk, United States Department of Agriculture, Room 1353, South Building, Washington 25, D. C., or may be there inspected.

Dated: February 18, 1953, at Washington, D. C.

[SEAL] ROY W. LENNARTSON, *Assistant Administrator.*

[F. R. Doc. 53-1755; Filed, Feb. 20, 1953; 8:51 a. m.]

[1] Filed as part of the original document.

[7 CFR Parts 906, 929]

[Docket Nos. AO 210-A3; AO 228-A1]

MILK IN TULSA AND MUSKOGEE, OKLAHOMA, MARKETING AREAS

PROPOSED AMENDMENTS TO TENTATIVE MARKETING AGREEMENTS AND TO ORDERS, AS AMENDED, REGULATING HANDLING

Pursuant to the Agricultural Marketing Agreement Act of 1937, as amended (7 U. S. C. 601 et seq.), and the applicable rules of practice and procedure governing the formulation of marketing agreements and marketing orders (7 CFR Part 900), notice is hereby given of a joint public hearing to be held in the American Room, Hotel Tulsa, Tulsa, Oklahoma, beginning at 10:00 a. m., c. s. t., March 9, 1953, for the purpose of receiving evidence with respect to emergency and other economic conditions which relate to the handling of milk in the Tulsa, Oklahoma, and Muskogee, Oklahoma, marketing areas and to the proposed amendments hereinafter set forth, or appropriate modifications thereof, to the tentative marketing agreements heretofore approved by the Secretary of Agriculture and to the orders, as now in effect, regulating the handling of milk in such marketing areas. These proposed amendments have not received the approval of the Secretary of Agriculture.

Amendments to the orders for such marketing areas have been proposed as follows:

By Pure Milk Producers Association of Tulsa:

1. Amend each of the orders to provide that the price for Class II milk reflect the actual value of milk in excess of Class I requirements in the area.

2. Amend Order No. 29 to provide that deliveries of certain producers under Order No. 76 regulating the handling of milk in the Fort Smith, Arkansas, marketing area be used in the computation of bases to be effective for such producers under Order No. 29.

By Hawk Dairies:

3. Amend § 906.51 (b) of the order for the Tulsa, Oklahoma, marketing area to provide that the price for Class II milk shall be the average of the prices paid by any four of the following plants:

American Foods Co., Miami, Okla.
Payne County Cooperative Creamery, Stillwater, Okla.
Muskogee Dairy Products Co., Muskogee, Okla.
Enid Cooperative Creamery, Enid, Okla.
The Borden Co., Perry, Okla.
Gilt Edge Dairy, Norman, Okla.
Armour & Co., Chickasha, Okla.

By Beatrice Foods Company:

4. Amend § 906,51 (b) of the order for the Tulsa, Oklahoma, marketing area to provide that the price for Class II milk shall be the average of the prices paid by eight plants (the seven plants named in proposal No. 3 and Hawk Dairies, Tulsa, Oklahoma).

By Glencliff Dairy:

5. Classify as Class II milk any skim milk dumped, subject to prior notification to the market administrator.

By the Dairy Branch, Production and Marketing Administration:

6. Make such changes as may be required to make the orders in their entirety conform with any amendments thereto which may result from this hearing.

Copies of this notice of hearing, and the orders now in effect, may be procured from the Market Administrator, 2635 East Eleventh Street, Tulsa, Oklahoma, or the Hearing Clerk, United States Department of Agriculture, Room 1353, South Building, Washington 25, D. C., or may be there inspected.

Dated: February 18, 1953, at Washington, D. C.

[SEAL] ROY W. LENNARTSON,
Assistant Administrator.

[F. R. Doc. 53-1756; Filed, Feb. 20, 1953; 8:51 a. m.]

DEPARTMENT OF LABOR

Wage and Hour Division

[29 CFR Part 526]

INDUSTRIES OF A SEASONAL NATURE

NOTICE OF PROPOSED RULE MAKING

The regulations contained in this part are applicable to determinations of industries of a seasonal nature for the purpose of section 7 (b) (3) of the Fair Labor Standards Act, as amended. This section provides a partial exemption from the overtime provisions of the act "for a period or periods of not more than fourteen workweeks in the aggregate in any calendar year in an industry found by the Administrator to be of a seasonal nature."

Notice is hereby given that the Administrator of the Wage and Hour Division proposes to revise the regulations contained in this part in the manner set forth below. The purpose of the revision is principally to clarify certain procedural requirements and also to include in the regulations the standards which will be applied in making seasonal industry determinations. The proposed revision in § 526.3 (b) would make it possible for certain industries to qualify which previously could not qualify because they do not cease operations or do not cease for a sufficiently long annual period. Thus, this section would now make it possible for the exemption under section 7 (b) (3) to apply to industries which handle or prepare agricultural commodities in their raw or natural state, provided they receive 50 percent of their annual volume in not more than 14 workweeks.

Interested persons may, within 15 days from date of publication of this notice in the FEDERAL REGISTER submit to the Administrator, Wage and Hour and Public Contracts Divisions, United States Department of Labor, Washington, D. C., data, views and comments relative to the proposed revised regulations.

The proposed revised regulations are as follows:

Sec.

§ 526.1 *Statutory provisions.* The provisions of section 7 of the Fair Labor Standards Act of 1938, as amended, providing a seasonal industry exemption from the overtime pay requirements of the act are as follows:

Section 7 (a). Except as otherwise provided in this section, no employer shall employ any of his employees who is engaged in commerce or in the production of goods for commerce for a workweek longer than forty hours, unless such employee receives compensation for his employment in excess of the hours above specified at a rate not less than one and one-half times the regular rate at which he is employed.

(b) No employer shall be deemed to have violated subsection (a) by employing any employee for a workweek in excess of that specified in such subsection without paying the compensation for overtime employment prescribed therein if such employee is so employed—

* * * * *

(3) For a period or periods of not more than fourteen workweeks in the aggregate in any calendar year in an industry found by the Administrator to be of a seasonal nature,

and if such employee receives compensation for employment in excess of twelve hours in any workday, or for employment in excess of fifty-six hours in any workweek, as the case may be, at a rate not less than one and one-half times the regular rate at which he is employed.

§ 526.2 *Meaning of "industry."* (a) The term "industry" as used in this part means a trade, business, industry, or branch thereof, or group of industries in which individuals are gainfully employed.

(b) In determining whether the operations for which exemption is sought constitute an industry or a separable branch of an industry, the following factors, among others, may be considered: The extent to which the activity carried on and the products under consideration are distinguishable from other activities and products, the geographical locations of the operations, the comparability of techniques and physical facilities with those found in other situations, the extent of integration with other operations, the extent of segregation of employees performing the operations involved, established classifications in the industry, and any competitive factors involved.

§ 526.3 *Industry to which the exemption is applicable.* The exemption for an industry of a seasonal nature is applicable to:

(a) An industry which:

(1) Engages in the handling, extracting, or processing of materials during a season or seasons occurring in a regularly, annually recurring part or parts

of the year not substantially greater than six months; and

(2) Ceases production, apart from work such as maintenance, repair, clerical, and sales work, in the remainder of the year because of the fact that, owing to climate or other natural conditions, the materials handled, extracted, or processed, in the form in which such materials are handled, extracted, or processed, are not available in the remainder of the year; or

(b) An industry which:

(1) Engages in the handling, preparing, packing or storing of agricultural commodities in their raw and natural state; and

(2) Receives for handling, preparing, packing or storing 50 percent or more of the annual volume in a period or periods amounting in the aggregate to not more than 14 workweeks.

§ 526.4 *Application for determination.* Any industry, or employer, or employer group therein, may make written application to the Administrator for a determination that the industry is of a seasonal nature. The application shall state the facts and reasons relied upon to show that the employer or employer group making application is a part or the whole of an industry which meets the conditions set forth in § 526.3. Preferential consideration will be given to applications filed by groups or organizations which are deemed to be representative of the interests of a whole industry or branch thereof.

§ 526.5 *Amendment and revocation of existing determinations.* (a) Any interested party may submit a written petition to the Administrator for amendment or revocation of any existing determination. The petition shall set forth the facts and reasons relied upon to support the amendment or revocation requested.

(b) The Administrator may at any time amend or revoke any existing determination on his own motion. To the extent applicable, the procedures set forth in §§ 526.6 to 526.10 shall be followed.

§ 526.6 *Procedure upon application for a determination or proposal for amendment or revocation of an existing determination.* (a) Upon consideration of the facts and reasons stated in an application, the Administrator may, without further proceedings, deny the application on the ground that it fails to allege facts entitling the industry to an exemption as a seasonal industry, or in the case of an application for amendment or revocation of an existing determination, that it fails to allege facts which sustain the action requested.

(b) Upon consideration and investigation of the facts and reasons stated in an application, the Administrator may either (1) set the application or other proposed action for hearing before the Administrator or his authorized representative; or (2) notify the applicant of, and publish in the FEDERAL REGISTER a preliminary determination that a prima facie case for the granting of an exemption or for amendment or revocation of an existing determination has been shown. In the event that the Administrator determines that a prima facie case for exemption, amendment, or revocation has been shown, the Administrator for a period of 15 days following the publication of his preliminary determination will receive objection and request for hearing from any person interested, including but not limited to employees, employee groups, and employee labor organizations, within the industry or industries affected. Upon receipt of objection and request for hearing, the Administrator will set the application for hearing before the Administrator or an authorized representative. If no objection and request for hearing is received within 15 days, the Administrator will make a finding upon the prima facie case. The exemption, amendment, or revocation shall become effective 30 days after publication of the finding in the FEDERAL REGISTER, or at such time prior thereto as may be provided therein upon good cause found and published therewith.

§ 526.7 *Procedure where application for determination is set for hearing.* (a) One combined hearing may be held on two or more applications presenting related issues of fact or law.

(b) A notice of the time, place, and scope of a hearing upon an application will be published in the FEDERAL REGISTER at least five days before the date of such hearing.

(c) All persons interested, including employees, employee groups, employee labor organizations, employers, employer groups, and trade associations, within the industry affected, and designated subordinates of the Administrator, will be afforded an opportunity to present evidence and to be heard.

(d) The Administrator may issue a subpoena for attendance at such hearings to any party upon request and upon a showing of general relevance and reasonable scope of the evidence sought. The Administrator may, on his own motion, or that of his authorized representative, cause to be brought before him or his authorized representative any witness whose testimony he deems material to the matters in issue.

(e) The Administrator or his authorized representative, as the case may be, shall make a finding and determination upon the record made at the hearing. Any determination made by the Administrator himself shall be final. If the finding and determination is by an authorized representative of the Administrator, the further procedure set forth in §§ 526.8 to 526.10 is applicable.

§ 526.8 *Petition for reconsideration.* Where the hearing is had before an authorized representative of the Administrator any person aggrieved by the finding of such representative may within 15 days after the action of such representative make application to the authorized representative for reconsideration of his finding if it can be shown that there is additional evidence which would materially affect the decision and that there were reasonable grounds for failure to adduce such evidence in the original proceeding. If the authorized representative grants an application for reconsideration, all interested parties will be afforded an opportunity to present their views either in support of or in opposition to the matters prayed for in the application for reconsideration. Upon publication of the reconsidered determination, or affirmation of the original determination, all interested persons may within 15 days thereafter file a petition for review, as provided in § 526.9. If an application for reconsideration is denied, any person aggrieved by the denial may within 15 days after publication file a petition for review as provided in § 526.9.

§ 526.9 *Petition for review.* (a) Where a hearing is had before an authorized representative of the Administrator, any person aggrieved by the finding of such representative may, within 15 days after the publication of such finding, and without following the procedure set forth in § 526.8, file a petition for review by the Administrator of the action of the representative upon the record of the hearing. The petition shall state the supporting reasons for the requested action.

(b) The Administrator may deny a petition for review upon examination of the petition. Notice of such denial shall be published in the FEDERAL REGISTER.

(c) If no petition for review is filed within 15 days, or if the Administrator denies a petition for review, the finding and determination of the authorized representative shall become final.

(d) Where a petition for review is granted, all interested parties will be afforded an opportunity to present arguments in support of or in opposition to the matters prayed for in the petition. Appropriate notice concerning presentation of arguments shall be published in the FEDERAL REGISTER. The Administrator shall make his final determination upon review of the record.

§ 526.10 *Notice of final determination.* (a) Where the final determination is that the industry is of a seasonal nature within the meaning of § 526.3 or that amendment or revocation is warranted, the determination, amendment or revocation shall become effective 30 days after publication in the FEDERAL REGISTER, or at such time prior thereto as may be provided therein upon good cause found and published therewith. If the determination is that the industry is not of a seasonal nature, appropriate notice shall be published in the FEDERAL REGISTER.

§ 526.11 *Petition for amendment of regulations.* Any person wishing a revision of any of the terms of §§ 526.1–526.10 may submit in writing to the Administrator a petition setting forth the changes desired and the reason for proposing them. If, after consideration of the petition, the Administrator believes that reasonable cause for amendment of the regulations is set forth, he shall either schedule a hearing, with due notice to interested parties, or shall make other provision for affording interested parties an opportunity to present their

views, both in support of and in opposition to the proposed changes.

Signed at Washington, D. C., this 17th day of February 1953.

WM. R. MCCOMB,
Administrator, Wage and Hour Division, Department of Labor.

[F. R. Doc. 53-1724; Filed, Feb. 20, 1953; 8:45 a. m.]

INTERSTATE COMMERCE COMMISSION

[49 CFR Part 170]

[Ex Parte MC-37]

NEW ORLEANS, LA., COMMERCIAL ZONE

REVISION OF DEFINITION OF BOUNDARY

FEBRUARY 16, 1953.

Pursuant to section 4 (a) of the Administrative Procedure Act (60 Stat. 237, 5 U. S. C. 1003) notice is hereby given that, for the purpose of including additional points and areas, which by reason of industrial and other developments and growth have become a part thereof, within the defined limits of the zone which is adjacent to and commercially a part of New Orleans, La., within the meaning of section 203 (b) (8) of the Interstate Commerce Act, the Interstate Commerce Commission, informed by experience and by an informal investigation, proposes to modify and redefine, as hereinafter indicated, the limits of the zone adjacent to and commercially a part of New Orleans, La., as heretofore defined in the second supplemental report in Commercial Zones and Terminal Areas, 48 M. C. C. 441, 452, and to revise that portion of 49 CFR 170.27 regarding boundary definition to read as follows:

§ 170.27 *New Orleans, La.* * * *

All points within a line as follows: Commencing at a point on the shore of Lake Pontchartrain where it is crossed by the Jefferson Parish-Orleans Parish line, thence easterly along the shore of Lake Pontchartrain to the Rigolets, through the Rigolets in an easterly direction to Lake Borgne; thence southwesterly along the shore of Lake Borgne to the Bayou Bienvenue; thence in a general westerly direction along the Bayou Bienvenue (which also constitutes the Orleans Parish-St. Bernard Parish line), to Parish Road; thence in a southerly direction along Parish Road and beyond it in the same direction to the middle of the Mississippi River; thence along the middle of the Mississippi River to a point where the center line of Avenue "A" in the townsite of Belle Chasse is intersected; thence along Avenue "A" in a northwesterly direction to the intersection of Third Street in the townsite of Belle Chasse; thence in a northeasterly direction along Third Street to the intersection of State Highway No. 31; thence along State Highway No. 31 in a northwesterly direction to a point approximately 2 miles south of Gretna where a high tension transmission line crosses State Highway No. 31; thence in a westerly direction following such transmission line to the intersection thereof with U. S. Highway 90; thence westerly along U. S. Highway 90 to a point 5 airline miles from the municipal limits of New Orleans, thence due north passing somewhat west of Waggaman, to the Mississippi River, thence across the Mississippi River to the nearest point of the municipal limits of Harahan; thence along the western boundary of Harahan to the railroad line of the Illinois Central Railroad; thence along the line of the Illinois Central Railroad to the Metaure Bayou; thence in an easterly and northerly direction along the Metaure Bayou to its intersection with Airline Highway; then along Airline Highway in an easterly direction to Clearview Parkway; thence in a northerly direction along Clearview Parkway to the shore of Lake Pontchartrain; thence along the shore of Lake Pontchartrain in an easterly direction to the Jefferson Parish-Orleans Parish line, the point of beginning.

No oral hearing is contemplated, but anyone wishing to make representations in favor of, or against, the above-proposed revision of the defined boundary of New Orleans, La., commercial zone, may do so by the submission of written data, views, or arguments. An original and five copies of such data, views, or arguments shall be filed with the Commission on or before March 31, 1953.

Notice to the general public of the action herein taken shall be given by depositing a copy of this notice in the Office of the Secretary of the Commission for public inspection and by filing a copy thereof with the Director, Division of the Federal Register.

By the Commission, Division 5.

[SEAL] GEORGE W. LAIRD,
Acting Secretary.

[F. R. Doc. 53-1725; Filed, Feb. 20, 1953; 8:46 a. m.]

NOTICES

DEPARTMENT OF JUSTICE

Office of the Attorney General

[Order 5-53]

CLAIMS DIVISION CHANGED TO CIVIL DIVISION

FEBRUARY 13, 1953.

The name of the Claims Division in the Department of Justice is hereby changed to Civil Division.

All personnel, records, and property of the Claims Division are transferred to the Civil Division together with all the attendant duties and responsibilities of the former.

HERBERT BROWNELL, Jr.,
Attorney General.

[F. R. Doc. 53-1791; Filed, Feb. 19, 1953; 5:09 p. m.]

DEPARTMENT OF LABOR

Wage and Hour and Public Contracts Divisions

EMPLOYMENT OF HANDICAPPED CLIENTS BY SHELTERED WORKSHOPS

ISSUANCE OF SPECIAL CERTIFICATES

Notice is hereby given that special certificates authorizing the employment of handicapped clients at hourly wage rates lower than the minimum wage rates applicable under section 6 of the Fair Labor Standards Act of 1938, as amended, and section 1 (b) of the Walsh-Healey Public Contracts Act, as amended, have been issued to the sheltered workshops hereinafter mentioned, under section 14 of the Fair Labor Standards Act of 1938, as amended (sec. 14, 52 Stat. 1068; 29 U. S. C. 214, as amended, 63 Stat. 910), and Part 525 of the regulations issued thereunder, as amended (29 CFR Part 525), and under sections 4 and 6 of the Walsh-Healey Public Contracts Act (secs. 4, 6, 49 Stat. 2038; 41 U. S. C. 38, 40) and Article 1102 of the regulations issued pursuant thereto (41 CFR 201.1102).

The names and addresses of the sheltered workshops to which certificates were issued, wage rates, and the effective and expiration dates of the certificates are as follows:

Goodwill Industries of Scranton, Inc., 334 Penn Avenue, Scranton, Pa.; at a wage rate of not less than the piece rate paid non-handicapped employees engaged in the same occupation in regular commercial industry maintaining approved labor standards or not less than 30 cents per hour, whichever is higher. Certificate is effective February 1, 1953, and expires January 31, 1954.

Goodwill Industries of Akron, Inc., 119 North Howard Street, Akron, Ohio; at a wage rate of not less than the piece rate paid non-handicapped employees engaged in the same occupation in regular commercial industry maintaining approved labor standards or not less than 25 cents per hour for a training period of 40 hours, and 45 cents thereafter, whichever is higher. Certificate is effective February 1, 1953, and expires January 31, 1954.

Cincinnati Association for the Blind, 1548 Central Parkway, Cincinnati 10, Ohio; at a wage rate of not less than the piece rate paid non-handicapped employees engaged in the same occupation in regular commercial industry maintaining approved labor standards or not less than 15 cents per hour for an evaluation period of 40 hours and a training period of 120 hours, and 30 cents thereafter, whichever is higher. Certificate is effective February 1, 1953, and expires January 31, 1954.

Jewish Vocational Service and Employment Center, 231 South Wells Street, Chicago 4, Ill.; at a wage rate of not less than the piece rate paid non-handicapped employees engaged in the same occupation in regular commercial industry maintaining approved labor standards or not less than 50 cents per hour, whichever is higher. Certificate

is effective February 1, 1953, and expires January 31, 1954.

Evansville Goodwill Industries, Inc., 18 Locust Street, Evansville, Ind.; at a wage rate of not less than the piece rate paid non-handicapped employees engaged in the same occupation in regular commercial industry maintaining approved labor standards or not less than 50 cents per hour, whichever is higher. Certificate is effective February 1, 1953, and expires January 31, 1954.

American Legion Employment Industries, 3865 Forest Park Boulevard, St. Louis 8, Mo.; at a wage rate of not less than the piece rate paid non-handicapped employees engaged in the same occupation in regular commercial industry maintaining approved labor standards or not less than 57 cents per hour, whichever is higher. Certificate is effective January 1, 1953, and expires November 30, 1953.

Nebraska Goodwill Industries, 1013 North Sixteenth Street, Omaha 2, Nebr.; at a wage rate of not less than the piece rate paid non-handicapped employees engaged in the same occupation in regular commercial industry maintaining approved labor standards or not less than 10 cents per hour for an evaluation period of 80 hours and a training period of 40 hours, and 50 cents thereafter, whichever is higher. Certificate is effective January 1, 1953, and expires October 31, 1953.

Pueblo Goodwill Industries, 130 South Union, Pueblo, Colo.; at a wage rate of not less than the piece rate paid non-handicapped employees engaged in the same occupation in regular commercial industry maintaining approved labor standards or not less than 50 cents per hour for an evaluation period of 80 hours and a training period of 40 hours, and 60 cents thereafter, whichever is higher. Certificate is effective January 1, 1953, and expires December 31, 1953.

The Lighthouse for the Blind, 2315 Locust Street, St. Louis 3, Mo.; at a wage rate of not less than the piece rate paid non-handicapped employees engaged in the same occupation in regular commercial industry maintaining approved labor standards or not less than the applicable hourly rate during the periods hereinafter specified, whichever is higher: 25 cents per hour for an evaluation period of 160 hours and 32 cents per hour thereafter for the entire shop with the following rates and periods applicable for the various departments listed: Broom Division and Sewing Division, 25 cents per hour for an evaluation period of 160 hours and a training period of 160 hours, and 32 cents thereafter; Mat Division, Mop Division and Rug Division, 25 cents per hour for an evaluation period of 160 hours and a training period of 80 hours, and 32 cents thereafter. Certificate is effective January 1, 1953, and expires November 30, 1953.

Veterans of Foreign Wars of the United States, V. A. Center, Wadsworth, Kans.; at a wage rate of not less than the piece rate paid non-handicapped employees engaged in the same occupation in regular commercial industry maintaining approved labor standards or not less than 19 cents per hour, whichever is higher. Certificate is effective December 10, 1952, and expires December 9, 1953.

Society of St. Vincent dePaul Salvage Bureau, 1815 Mission Street, San Francisco, Calif.; at a wage rate of not less than the piece rate paid non-handicapped employees engaged in the same occupation in regular commercial industry maintaining approved labor standards or not less than 45 cents per hour for an evaluation and/or training period of 160 hours, and 75 cents thereafter, whichever is higher. Certificate is effective January 25, 1953, and expires January 24, 1954.

Goodwill Industries of Oregon, Inc., 512 Southeast Mill Street, Portland 14, Oreg.; at a wage rate of not less than the piece rate paid non-handicapped employees engaged in the same occupation in regular commercial industry maintaining approved labor standards, or not less than the applicable hourly rate during the periods hereinafter specified, whichever is higher: 50 cents per hour for an evaluation and/or training period of 160 hours and 55 cents thereafter for the entire shop; Bag Folding Division, 25 cents per hour for an evaluation and/or training period of 160 hours and 50 cents thereafter. Certificate is effective January 25, 1953, and expires January 24, 1954.

The Volunteers of America, 2801 Lombard Street, Everett, Wash.; at a wage rate of not less than the piece rate paid non-handicapped employees engaged in the same occupation in regular commercial industry maintaining approved labor standards or not less than 50 cents per hours for an evaluation and/or training period of 160 hours, and 62½ cents thereafter, whichever is higher. Certificate is effective January 28, 1953, and expires January 27, 1954.

Union Gospel Mission, 716½ First Avenue, Seattle 11, Wash.; at a wage rate of not less than the piece rate paid non-handicapped employees engaged in the same occupation in regular commercial industry maintaining approved labor standards or not less than 25 cents per hour for an evaluation and/or training period of 160 hours, and 50 cents thereafter, whichever is higher. Certificate is effective February 6, 1953, and expires February 5, 1954.

Inland Empire Goodwill Industries, 130 East Third, Spokane 3, Wash.; at a wage rate of not less than the piece rate paid non-handicapped employees engaged in the same occupation in regular commercial industry maintaining approved labor standards or not less than 25 cents per hour for an evaluation and/or training period of 160 hours, and 50 cents thereafter, whichever is higher. Certificate is effective February 12, 1953, and expires August 31, 1953.

Lycoming County Branch, Pennsylvania Association for the Blind, 1246 Vine Avenue, Williamsport, Pa.; at a wage rate of not less than the piece rate paid non-handicapped employees engaged in the same occupation in regular commercial industry maintaining approved labor standards or not less than 10 cents per hour for an evaluation period of 80 hours and a training period of 120 hours, and 25 cents thereafter, whichever is higher. Certificate is effective February 1, 1953, and expires January 31, 1954.

Goodwill Home and Rescue Mission, 42 Eagles Street, Newark, N. J.; at a wage rate of not less than the piece rate paid non-handicapped employees engaged in the same occupation in regular commercial industry maintaining approved labor standards or not less than 40 cents per hour, whichever is higher. Certificate is effective February 16, 1953, and expires December 31, 1953.

The employment of handicapped clients in the above-mentioned sheltered workshops under these certificates is limited to the terms and conditions therein contained and is subject to the provisions of Part 525 of the regulations, as amended. These certificates have been issued on the applicants' representations that they are sheltered workshops as defined in the regulations and that special services are provided their handicapped clients. A sheltered workshop is defined as, "A charitable organization or institution conducted not for profit, but for the purpose of carrying out a recognized program of rehabilitation for individuals whose earning capacity is impaired by age or physical or mental deficiency or injury, and to provide such individuals with remunerative employment or other occupational rehabilitating activity of an educational or therapeutic nature."

These certificates may be cancelled in the manner provided by the regulations, as amended. Any person aggrieved by the issuance of any of these certificates may seek a review or reconsideration thereof within fifteen days after publication of this notice in the FEDERAL REGISTER.

Signed at Washington, D. C., this 11th day of February 1953.

JACOB I. BELLOW,
Assistant Chief of Field Operations.

[F. R. Doc. 53-1723; Filed, Feb. 20, 1953; 8:45 a. m.]

DEPARTMENT OF THE TREASURY

Fiscal Service, Bureau of Accounts

[Dept. Circ. 570, Rev. Apr. 20, 1943, 1952, 82d Supp.]

AMERICAN AVIATION & GENERAL INSURANCE CO., READING, PA.

SURETY COMPANIES ACCEPTABLE ON FEDERAL BONDS

FEBRUARY 17, 1953.

A Certificate of Authority has been issued by the Secretary of the Treasury to the following company under the act of Congress approved July 30, 1947, 6 U. S. C. secs. 6–13, as an acceptable surety on Federal bonds. An underwriting limitation of $265,000.00 has been established for the company. Further details as to the extent and localities with respect to which the company is acceptable as surety on Federal bonds will appear in the next issue of Treasury Department Form 356, copies of which, when issued, may be obtained from the

Treasury Department, Bureau of Accounts, Section of Surety Bonds, Washington 25, D. C.

Name of Company, Location of Principal Executive Office, and State in Which Incorporated

American Aviation & General Insurance Company, Reading, Pennsylvania.

[SEAL] A. N. OVERBY,
Acting Secretary of the Treasury.

[F. R. Doc. 53-1739; Filed, Feb. 20, 1953; 8:50 a. m.]

CIVIL AERONAUTICS BOARD

[Docket No. 3246 et al.]

TEXAS LOCAL SERVICE CASE

NOTICE OF ORAL ARGUMENT

In the matter of the applications for certificates of public convenience and necessity to authorize air transportation between various points in Texas, Oklahoma, New Mexico, and Louisiana.

Notice is hereby given, pursuant to the provisions of the Civil Aeronautics Act of 1938, as amended, that oral argument in the above-entitled proceeding is assigned to be held on March 12, 1953 at 10:00 a. m., e. s. t., in Room 5042, Commerce Building, Constitution Avenue, between Fourteenth and Fifteenth Streets NW., Washington, D. C., before the Board.

Dated at Washington, D. C., February 18, 1953.

[SEAL] FRANCIS W. BROWN,
Chief Examiner.

[F. R. Doc. 53-1743; Filed, Feb. 20, 1953; 8:50 a. m.]

[Docket No. 5849]

SOUTH PACIFIC AIR LINES

NOTICE OF HEARING

In the matter of the application of South Pacific Air Lines under section 401 of the Civil Aeronautics Act of 1938, as amended, for a temporary certificate of public convenience and necessity for a 2-year period authorizing scheduled air transportation of passengers and property between the Territory of Hawaii and the Society Islands via the intermediate point Christmas Island.

Notice is hereby given that pursuant to the Civil Aeronautics Act of 1938, as amended, particularly sections 401 and 1001 of said act, that the above-entitled proceeding is assigned for hearing on March 3, 1953, at 10:00 a. m., e. s. t., in Room 1512, Temporary Building No. 4, Seventeenth Street, south of Constitution Avenue NW., Washington, D. C., before Examiner Curtis C. Henderson.

Without limiting the scope of the issues presented by the application, particular attention will be directed to the following matters:

1. Whether the public convenience and necessity require the issuance of a temporary certificate of public convenience and necessity for a 2-year period to South Pacific Air Lines authorizing it to engage in foreign air transportation of persons and property between the following:

(a) The Territory of Hawaii and the Society Islands via Christmas Island.

2. Whether South Pacific Air Lines is a citizen of the United States as defined by section 1 (13) of the Civil Aeronautics Act of 1938, as amended.

3. Whether South Pacific Air Lines is fit, willing, and able to provide the transportation requested in its aforementioned application.

For further details of the issues involved in the proceeding, interested persons are referred to the application on file with the Civil Aeronautics Board, and the prehearing conference report issued in respect thereto.

Notice is further given that any person, other than a party of record, desiring to be heard in opposition to the application must file with the Board on or before March 3, 1953, a written statement setting forth the issues of fact or law raised by this proceeding which he desires to controvert.

Dated at Washington, D. C., February 18, 1953.

By the Civil Aeronautics Board.

[SEAL] FRANCIS W. BROWN,
Chief Examiner.

[F. R. Doc. 53-1742; Filed, Feb. 20, 1953; 8:50 a. m.]

FEDERAL CIVIL DEFENSE ADMINISTRATION

REGIONAL DIRECTORS AND ACTING REGIONAL DIRECTORS

DELEGATION OF NATURAL DISASTER AUTHORITY AND FUNCTIONS

1. Pursuant to the authority vested in me by section 5 of Executive Order 10427 dated January 16, 1953, the natural disaster authority and functions under Public Law 875, 81st Congress (64 Stat. 1109), as amended, conferred upon the Administrator by said Executive Order, except those enumerated in subsections (c) and (d) of section 1, section 5 and section 8 of said Executive Order, are hereby delegated to the Regional Director of each Federal Civil Defense Administration Region or, in his absence or disability, to any official designated by him to succeed to the position of, and act as, Regional Director.

2. In exercising and performing the authority and functions herein delegated, the Regional Director shall give maximum consideration to the existing responsibilities, authorities, practices, customs and arrangements of the other Federal Agencies, States, local governments and the American National Red Cross with respect to natural disasters.

3. The authority and functions hereby delegated may be exercised and performed in any Federal Civil Defense Administration Region by the Regional Director or Acting Regional Director of such Region, and shall be exercised in accordance with Public Law 875, 81st Congress, as amended, and such rules, regulations and instructions as the Administrator may hereafter issue.

4. The authority and functions hereby delegated may not be redelegated.

5. This delegation of authority became effective February 2, 1953.

Dated: February 19, 1953.

J. J. WADSWORTH,
Acting Administrator,
Federal Civil Defense Administration.

[F. R. Doc. 53-1792; Filed, Feb. 20, 1953; 9:51 a. m.]

FEDERAL POWER COMMISSION

[Docket No. E-6477]

CENTRAL VERMONT PUBLIC SERVICE CORP.

NOTICE OF APPLICATION

FEBRUARY 16, 1953.

Take notice that on February 13, 1953, an application was filed with the Federal Power Commission, pursuant to section 203 of the Federal Power Act, by Central Vermont Public Service Corporation, a corporation organized under the laws of the State of Vermont with its principal business office at Rutland, Vermont, seeking an order authorizing it to merge or consolidate facilities by taking over and acquiring all of the facilities of Public Electric Light Company. The separate existence of Public Electric Light Company will cease upon completion of the merger and Central Vermont Public Service Corporation will continue as the surviving corporation; all as more fully appears in the application on file with the Commission.

Any person desiring to be heard, or to make any protest with reference to said application should, on or before the 7th day of March 1953, file with the Federal Power Commission, Washington 25, D. C., a petition or protest in accordance with the Commission's rules of practice and procedure. The application is on file with the Commission for public inspection.

[SEAL] LEON M. FUQUAY,
Secretary.

[F. R. Doc. 53-1733; Filed, Feb. 20, 1953; 8:49 a. m.]

[Docket No. E-6478]

CALIFORNIA ELECTRIC POWER CO.

NOTICE OF APPLICATION

FEBRUARY 17, 1953.

Take notice that on February 16, 1953, an application was filed with the Federal Power Commission, pursuant to section 204 of the Federal Power Act, by California Electric Power Company, a corporation organized under the laws of the State of Delaware with its principal business office at Riverside, California, seeking an order authorizing the issuance of 136,249 shares of common stock (par value $1 per share), and $8,000,000 principal amount First Mortgage Bonds, due 1983, such issues to be sold upon the basis of bids received after publication of invitations for competitive bids; all as more fully appears in the application on file with the Commission.

Any person desiring to be heard, or to make any protest with reference to said application should, on or before the 7th day of March 1953, file with the Federal Power Commission, Washington 25, D. C., a petition or protest in accordance with the Commission's rules of practice and procedure. The application is on file with the Commission for public inspection.

[SEAL] LEON M. FUQUAY,
Secretary.

[F. R. Doc. 53-1734; Filed, Feb. 20, 1953; 8:49 a. m.]

[Docket No. G-1413]

PIEDMONT NATURAL GAS CO., INC.

NOTICE OF ORDER ISSUING CERTIFICATE OF PUBLIC CONVENIENCE

FEBRUARY 17, 1953.

Notice is hereby given that on February 13, 1953, the Federal Power Commission issued its order entered February 12, 1953, further amending order of January 19, 1951 (16 F. R. 695-696), as heretofore amended by order issued June 7, 1951 (16 F. R. 5627), issuing certificate of public convenience and necessity in the above-entitled matter.

[SEAL] LEON M. FUQUAY,
Secretary.

[F. R. Doc. 53-1727; Filed, Feb. 20, 1953; 8:47 a. m.]

[Docket No. G-2034]

OHIO FUEL GAS CO.

NOTICE OF FINDINGS AND ORDER

FEBRUARY 17, 1953.

Notice is hereby given that on February 16, 1953, the Federal Power Commission issued its order entered February 10, 1953, issuing a certificate of public convenience and necessity in the above-entitled matter.

[SEAL] LEON M. FUQUAY,
Secretary.

[F. R. Doc. 53-1728; Filed, Feb. 20, 1953; 8:47 a. m.]

[Docket Nos. ID-1192, ID-1193, ID-1194]

H. NEDWILL RAMSEY ET AL.

NOTICE OF ORDERS AUTHORIZING APPLICANTS TO HOLD CERTAIN POSITIONS

FEBRUARY 17, 1953.

In the matters of H. Nedwill Ramsey, Docket No. ID-1192; Robert P. Liversidge, Docket No. ID-1193; H. G. Dernberger, Docket No. ID-1194.

Notice is hereby given that on February 16, 1953, the Federal Power Commission issued its orders entered February 12, 1953, authorizing applicants to hold certain positions pursuant to section 305 (b) of the Federal Power Act in the above-entitled matters.

[SEAL] LEON M. FUQUAY,
Secretary.

[F. R. Doc. 53-1729; Filed, Feb. 20, 1953; 8:48 a. m.]

SECURITIES AND EXCHANGE COMMISSION

HARRY GLANTZ

ORDER FOR PROCEEDINGS AND NOTICE OF HEARING

In the matter of Harry Glantz, 80-82 Wall Street, New York 5, N. Y.

At a regular session of the Securities and Exchange Commission held at its office in the city of Washington, D. C., on the 16th day of February 1953.

I. The Commission's public official files disclose that Harry Glantz, a sole proprietor, hereinafter referred to as registrant, is registered as a broker-dealer pursuant to section 15 (b) of the Securities Exchange Act of 1934.

II. The Records Officer of the Commission has filed with the Commission a statement, a copy of which is attached hereto and made a part hereof,[1] stating that registrant did not file with the Commission reports of his financial condition during the calendar years 1950, 1951, and 1952, as required by section 17 (a) of the Securities Exchange Act of 1934 and Rule X-17A-5 adopted thereunder.

III. The information reported to the Commission by its Records Officer as set forth in Paragraph II hereof tends, if true, to show that registrant violated section 17 (a) of the Securities Exchange Act of 1934 and Rule X-17A-5 adopted under said section.

IV. The Commission, having considered the aforesaid information, deems it necessary and appropriate in the public interest and for the protection of investors that proceedings be instituted to determine:

(a) Whether the statement referred to in Paragraph II hereof is true;

(b) Whether registrant has wilfully violated section 17 (a) of the Securities Exchange Act of 1934 and Rule X-17A-5 adopted under said section;

(c) Whether, pursuant to section 15 (b) of the Securities Exchange Act of 1934, it is in the public interest to revoke registration of registrant; and

(d) Whether, pursuant to section 15 (b) of the Securities Exchange Act of 1934, pending final determination, it is necessary or appropriate in the public interest or for the protection of investors to suspend the registration of registrant.

V. *It is ordered*, That registrant be given an opportunity for hearing as set forth in Paragraph IV hereof on the 23rd day of March 1953, at the main office of the Securities and Exchange Commission, located at 425 Second Street NW., Washington 25, D. C., before a Hearing Examiner to be designated by the Commission. On such date the Hearing Room Clerk in Room 193, North Building, will advise the parties and the Hearing Examiner as to the room in which such hearing will be held. The Commission will consider any motion with respect to a change of place of said hearing if said motion is filed with the Secretary of the Commission on or before March 16, 1953. Upon completion of any such hearing in this matter the Hearing Examiner shall prepare a recommended decision pursuant to Rule IX of the rules of practice unless such decision is waived.

It is further ordered, That in the event registrant does not appear personally or through a representative at the time and place herein set or as otherwise ordered, the Hearing Room Clerk shall file with the Records Officer of the Commission a written statement to that effect and thereupon the Commission will take the record under advisement for decision.

This order and notice shall be served on registrant personally or by registered mail forthwith, and published in the FEDERAL REGISTER not later than fifteen (15) days prior to March 23, 1953.

In the absence of an appropriate waiver, no officer or employee of the Commission engaged in the performance of investigative or prosecuting functions in this or any factually related proceeding will be permitted to participate or advise in the decision upon the matter except as witness or counsel in proceedings held pursuant to notice. Since this proceeding is not "rule making" within the meaning of section 4 (c) of the Administrative Procedure Act, it is not deemed to be subject to the provisions of the section delaying the effective date of any final Commission action.

By the Commission.

[SEAL] ORVAL L. DUBOIS,
Secretary.

[F. R. Doc. 53-1730; Filed, Feb. 20, 1953; 8:48 a. m.]

ROBERT A. MULLIGAN

ORDER FOR PROCEEDINGS AND NOTICE OF HEARING

In the matter of Robert A. Mulligan, 94 Second Avenue, Newark, New Jersey.

At a regular session of the Securities and Exchange Commission held at its office in the city of Washington, D. C., on the 17th day of February 1953

I. The Commission's public official files disclose that Robert A. Mulligan, a sole proprietorship, hereinafter referred to as registrant, is registered as a broker-dealer pursuant to section 15 (b) of the Securities Exchange Act of 1934.

II. The Records Officer of the Commission has filed with the Commission a statement, a copy of which is attached hereto and made a part hereof,[1] stating that registrant did not file with the Commission reports of his financial condition during the calendar years 1949, 1950, 1951, or 1952, as required by section 17 (a) of the Securities Exchange Act of 1934 and Rule X-17A-5 adopted thereunder.

III. The information reported to the Commission by its Records Officer as set forth in Paragraph II hereof tends, if true, to show that registrant violated section 17 (a) of the Securities Exchange Act of 1934 and Rule X-17A-5 adopted under said section.

IV. The Commission, having considered the aforesaid information, deems it necessary and appropriate in the public interest and for the protection of in-

[1] Filed as part of the original document.

vestors that proceedings be instituted to determine:

(a) Whether the statement referred to in Paragraph II hereof is true;

(b) Whether registrant has wilfully violated section 17 (a) of the Securities Exchange Act of 1934 and Rule X-17A-5 adopted under said section;

(c) Whether, pursuant to section 15 (b) of the Securities Exchange Act of 1934, it is in the public interest to revoke registration of registrant; and

(d) Whether, pursuant to section 15 (b) of the Securities Exchange Act of 1934, pending final determination, it is necessary or appropriate in the public interest or for the protection of investors to suspend the registration of registrant.

V. *It is ordered*, That registrant be given an opportunity for hearing as set forth in Paragraph IV hereof on the 23d day of March 1953, at the main office of of the Securities and Exchange Commission, located at 425 Second Street NW., Washington 25, D. C., before a Hearing Examiner to be designated by the Commission. On such date the Hearing Room Clerk in Room 193, North Building, will advise the parties and the Hearing Examiner as to the room in which such hearing will be held. The Commission will consider any motion with respect to a change of place of said hearing if said motion is filed with the Secretary of the Commission on or before March 16, 1953. Upon completion of any such hearing in this matter the Hearing Examiner shall prepare a recommended decision pursuant to Rule IX of the rules of practice unless such decision is waived.

It is further ordered, That in the event registrant does not appear personally or through a representative at the time and place herein set or as otherwise ordered, the Hearing Room Clerk shall file with the Records Officer of the Commission a written statement to that effect and thereupon the Commission will take the record under advisement for decision.

This order and notice shall be served on registrant personally or by registered mail forthwith, and published in the FEDERAL REGISTER not later than fifteen (15) days prior to March 23, 1953.

In the absence of an appropriate waiver, no officer or employee of the Commission engaged in the performance of investigative or prosecuting functions in this or any factually related proceeding will be permitted to participate or advise in the decision upon the matter except as witness or counsel in proceedings held pursuant to notice. Since this proceeding is not "rule making" within the meaning of section 4 (c) of the Administrative Procedure Act, it is not deemed to be subject to the provisions of the section delaying the effective date of any final Commission action.

By the Commission.

[SEAL] ORVAL L. DUBOIS,
Secretary.

[F. R. Doc. 53-1731; Filed, Feb. 20, 1953; 8:48 a. m.]

INTERSTATE COMMERCE COMMISSION

[Sec. 5a, Application 42]

SPECIALIZED MOTOR CARRIERS ASSN.

APPLICATION FOR APPROVAL OF AGREEMENT

FEBRUARY 18, 1953.

The Commission is in receipt of the above-entitled and numbered application for approval of an agreement under the provisions of section 5a of the Interstate Commerce Act.

Filed February 12, 1953, by: E. H. Cassidy, Secretary-Manager, Specialized Motor Carriers Association, 1311 Capital National Bank Building, Austin, Texas.

Agreement involved: An agreement between and among motor common carriers members of the Specialized Motor Carriers Association, relating to rates, rules and regulations for the transportation in interstate or foreign commerce of oilfield, refinery, and pipe-line machinery, equipment, materials, and supplies, heavy and cumbersome machinery, contractors' equipment and marine equipment, materials and supplies, requiring special equipment, between points in southern, and southwestern States and Illinois and Indiana, and procedures for the joint initiation, consideration, and establishment thereof.

The complete application may be inspected at the office of the Commission in Washington, D. C.

Any interested person desiring the Commission to hold a hearing upon such application shall request the Commission in writing so to do within 20 days from the date of this notice. As provided by the general rules of practice of the Commission, persons other than applicants should fairly disclose their interest, and the position they intend to take at the hearing with respect to the application. Otherwise the Commission, in its discretion, may proceed to investigate and determine the matters involved in such application without further or formal hearing.

By the Commission, Division 2.

[SEAL] GEORGE W. LAIRD,
Acting Secretary.

[F. R. Doc. 53-1744; Filed, Feb. 20, 1953; 8:50 a. m.]